DOCUMENT RESUME

ED 221 300 PS 013 076

AUTHOR Vestal, Anita
TITLE New Director's Manual: An Orientation Manual for New Head Start Directors in Region III.
INSTITUTION Maryland Univ., College Park. Head Start Regional Resource and Training Center.
PUB DATE 82
CONTRACT ASD-3-80
NOTE 170p.

EDRS PRICE MF01/PC07 Plus Postage.
DESCRIPTORS Eligibility; Enrollment; Financial Support; Grants; Personnel Management; *Program Administration; Program Development; Program Evaluation; Reference Materials
IDENTIFIERS *Project Head Start; Region 3; Rules and Regulations

ABSTRACT

Intended for use by new Head Start directors in Region III during their first year on the job, this orientation manual provides information focusing on several areas of program operation. Chapters of the manual include reference information on the following seven areas: regulations indices, self-assessment, grant application (proposal), program planning and the management system, personnel management, financial management, and eligibility and enrollment. Cross-referenced lists of regulations are included. (RH)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

ED221300

U.S. DEPARTMENT OF EDUCATION
NATIONAL INSTITUTE OF EDUCATION
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)
☐ This document has been reproduced as received from the person or organization originating it.
☒ Minor changes have been made to improve reproduction quality.
• Points of view or opinions stated in this document do not necessarily represent official NIE position or policy.

Anita Vestal
Management/Fiscal
Training Specialist

Spring, 1982

NEW DIRECTOR'S MANUAL

An Orientation Manual for New Head Start Directors in Region III

"PERMISSION TO REPRODUCE THIS MATERIAL HAS BEEN GRANTED BY
M. Anita Vestal
TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)."

Head Start Resource and Training Center
Conferences and Institutes Program
University of Maryland University College

PS013076

Prepared under Contract ASD-3-80

INTRODUCTION

Head Start is committed to continuing to improve the quality of program operations. To achieve this on-going objective, administrators of local programs must be attuned to Head Start management requirements. The technical assistance needs of the Head Start Director, especially new directors is a priority.

The New Director's Manual has been developed in response to the Head Start commitment to program quality. It is designed as a reference for new directors in Region III and is intended to be used as an orientation manual during the first year on the job.

The content included in the manual has been selected based on a pre-assessment completed by 15 new Region III directors in the Fall, 1981. The chapters include reference information on the areas of Regulations Indices; Self-Assessment (SAVI); Grant Application (Proposal) Instructions; Program Planning and Management System; Personnel Management; Financial Management; Eligibility and Enrollment.

Several individuals assisted in the preparation and review of the manual. I would like to acknowledge and thank them for their contributions:

Head Start Resource and Training Center

Joan Herren, Project Director
Judy Pokorni, Child Development Training Specialist
Phyllis Chandler, Typist

Shippensburg Head Start, PA

Mary M. E. Young, Director

Boyds Day Care Head Start, MD

Beth Molesworth, Director

Wyoming County Head Start, WV

Rebecca Kirkpatrick, Director

Administration for Children, Youth and Families

Larry James, Region III Parent Program
and Social Service Specialist

Bi-State State Training Office

Nancy Goldsmith, Project Director
Peter Pizzolongo, State Training Officer
Nancy Mallory, State Training Officer

TABLE OF CONTENTS

Introduction.....

Regulations Index.....1

Self Assessment Process.....31

Grant Application Package.....61

Program Planning/Management System.....100

Personnel Management.....109

Financial Management.....125

Eligibility and Enrollment.....141

REGULATIONS AND POLICY GUIDANCE

Head Start Organization Chart..... 1

Documents Directors Should Have..... 2

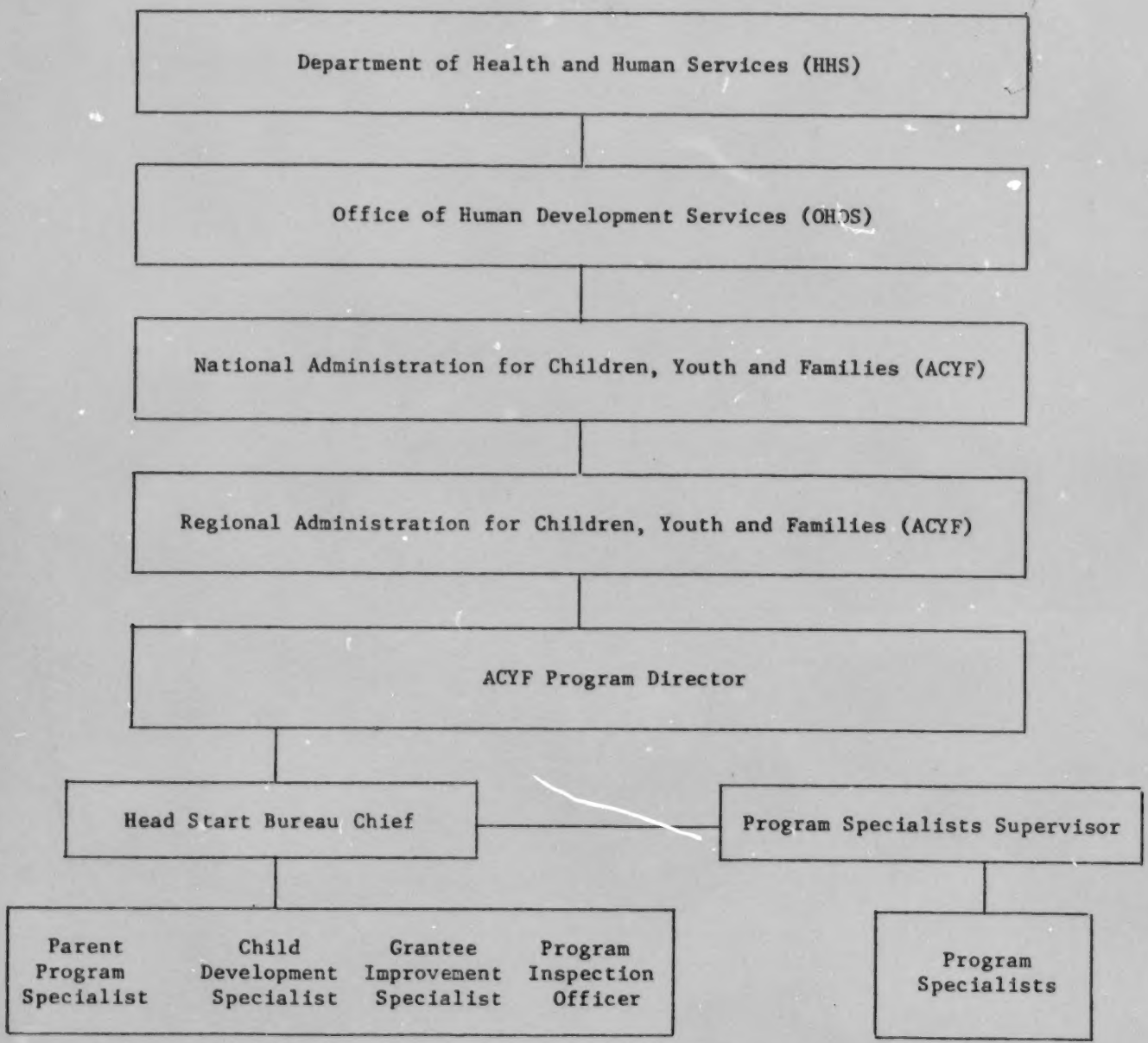
Regulations Cross Referenced by Component..... 4

Regulations Cross Referenced Alphabetically..... 8

Abbreviations, Acronyms and Definitions..... 12

Administrative Manuals Contents..... 18

AN ORGANIZATIONAL CHART FOR HEAD START PROGRAMS


Department of Health and Human Services (HHS)
Office of Human Development Services (OHDS)
National Administration for Children, Youth and Families (ACYF)
Regional Administration for Children, Youth and Families (ACYF)
ACYF Program Director
Head Start Bureau Chief
Program Specialists Supervisor
Parent Program Specialist
Child Development Specialist
Grantee Improvement Specialist
Program Inspection Officer
Program Specialists

DOCUMENTS HEAD START DIRECTORS SHOULD HAVE

OHD Grants Administration Manual (January 1, 1977) Also referenced as Transmittal Notice (TN) 77.1

This document contains general administrative guidelines for OHDS programs in general and Head Start programs in specific. Most of the content of the GAM is taken directly from Title 45, Code of Federal Regulations, Part 74 and 1300 series. If you are unable to secure a copy of the GAM from ACYF regional or national offices, try the library. Ask for 45 CFR 74 and 45 CFR 1300. The cover and table of contents of the OHD/GAM are reprinted at the end of this section. Revisions to this document appear in the Federal Registers of 4/24/79 and 10/18/79.

HEW Administration of Grants September 19, 1973 - revised August 2, 1978, June 3, 1980, and June 9, 1981.

These documents contain general administrative requirements and supplement the OHD/GAM. If you cannot obtain copies of these documents from ACYF, the contents are printed in the Federal Registers on August 2, 1978, June 3, 1980 and June 9, 1981. Be sure to get a complete and up-to-date set of the regulations. When referencing 45 CFR 74, it is important to ensure that the information has not been revised by a more current revision. As of this writing, the June 9, 1981 revision is most current. The cover and table of contents for 45 CFR 74 appear at the back of this section.

HEAD START PERFORMANCE STANDARDS July 1975 Also referenced as OCD Notice N - 30 - 364 - 4.

Program Performance Standards for Operation of Head Start Programs by Grantees and Delegate Agencies.

This document outlines the programmatic standards which Head Start programs must meet. ACYF uses the Performance Standards as indicators of program compliance with federal guidelines. A copy can be supplied by your T/TA providers or by ACYF. You'll also find the content printed in the Federal Register, July 1, 1975 as 45 CFR Part 1304.

70.2, The Parents August 10, 1970

This brief five page document supplements the Performance Standards by outlining the roles and responsibilities of the Parents. 70.2 usually accompanies the Performance Standards as an addendum. You can request copies from your

T/TA providers, ACYF; or look in the Federal Register. Like the Performance Standards and the Administrative Guidances listed, 70.2 is used as a basis of assessing program compliance with federal regulations.

Self Assessment/Validation Instrument (SAVI) Revised September 1, 1979.

The Head Start Program Performance Standards Self Assessment/Validation Instrument is designed to serve the dual purpose of aiding 1) the programs in conducting an annual assessment of their activities, and 2) the regional office in validating their findings in light of Head Start Performance Standards. Although programs are no longer required to follow the SAVI guide in their annual self assessment, Region III Program Specialists will continue to use the SAVI as the monitoring tool. You can get a copy from your T/TA provider, HSPS or perhaps a nearby Head Start program.

Administrative SAVI (ASAVI)

The Administrative SAVI provides guidance for assessing compliance in the areas of:

- Program Planning and Management
- Personnel Management
- Financial Management
- Procurement and Property Management
- Participant Eligibility

Though programs are not required to use the ASAVI for administrative self assessment, Region III Program Specialists will use it as the monitoring tool. You can request a copy from your T/TA provider or HSPS.

The following list of applicable Head Start Policies and Regulations augments the six basic documents discussed above. These national office issuances have been cross-referenced by component area. Copies of these issuances are available from your T/TA provider, ACYF regional or national office; or, in some cases, printed in the Federal Register of the given date.

APPLICABLE HEAD START REGULATIONS CROSS

REFERENCED BY COMPONENT AREA

GENERAL HEAD START		
9/ - /67	6108-1	Head Start Manual (Valid Sections) Part B - Participants 3. The Staff b. Creation of Opportunities for Employing Non-Professionals f. The Volunteers 4. The Community a. Mobilizing Community Resources b. Target Area Maps
6/30/75	75.06	Notice of Program Performance Standards for Operation of Head Start Programs by Grantees and Delegate Agencies (Federal Register, Vol. 40, No. 126 45 CFR Part 1304)
8/02/75	75.07	Program Performance Standards for Operation of Head Start Programs by Grantees and Delegate Agencies (OCD Notice N-30-364-4)
11/ - /79	79.6	Applicable Head Start Policies and Regulations
9/ - /79	79.4	Head Start Program Performance Standards Self/Assessment Validation Instrument
ADMINISTRATION		
6/18/70	70.3	Coordination of Planning in Multi-jurisdictional Areas

8/21/72	70.3	Using Head Start Funds to Provide Full Day Services (Scope N-30-336-1-1 has been superseded by TN 72.13)
10/10/72	72.9	Length of Full Year Part Day Programs Utilizing the Standard Head Start Model
11/28/72	72.11	Locally Designed Option Review Process
12/01/72	72.12	Clarification of Program Options Policy
8/14/73	73.11	Pre-Review Policy S-30-239-1
1/01/77	77.1	OHDS Grants Administration Manual
4/07/78	78.1	Head Start Regulations on Eligibility Requirements and Limitations for Enrollment in Head Start (Attached copy of Federal Register - 45 CFR Part 1305)
8/02/78	NONE	Grants Administration Regulation (Attached copy of Federal Register - 45 CFR Part 74)
4/24/79	NONE	Head Start Final Regulations on Head Start Grants Administration (45 CFR Part 1301)
4/24/79	NONE	Policies and Procedures for Selection, Initial Funding, and Refunding of Head Start Grantees, and for Selection of Replacement Grantees (45 CFR Part 1302)
4/24/79	NONE	Procedures for Appeals for Head Start Delegate Agencies, and for Opportunities to show cause and Hearings for Head Start Grantees (45 CFR Part 1303)
10/18/79	NONE	Revisions to Part II, OHDS Grants Administration Manual
11/02/79	NONE	Enrollment and Attendance Policies in Head Start

HEALTH		
6/05/72	72.4	Joint Announcement of Collaboration between the Office of Child Development and the National Institute of Mental Health
12/18/73	73.14	Announcement of Head Start/Medicaid Early and Periodic Screening, Diagnosis and Treatment (EPSDT)
2/11/75	75.3	Head Start Health Program Assessment Report
6/03/76	76.2	Exchange of Information Between Head Start Grantees and State Medicaid Agencies and Providers in Order to Facilitate Adminstration of the Early and Periodic Screening, Diagnosis and Treatment (EPSDT) Program
7/29/76	76.5	Health Planning and Action Review Instrument (OCD Notice 30-343-3)
6/14/79	79.3	Announcement of Current Head Start Immunization Policy
NONE	79.5	Interpretation of Health Performance Standards as Related to Periodic Provisions of Medical Screening Services

HANDICAP		
2/28/73	73.4	Head Start Services to Handicapped Children
1/27/75	75.2	Joint Announcement of Collaboration between the Office of Child Development and the Bureau of Education for the Handicapped Division of Training Program
9/11/75	75.11	Announcement of Diagnostic Criteria for Reporting Handicapped Children in Head Start

6/12/78	NONE	Head Start Participation in the Implementation of PL 94-142
NUTRITION		
10/26/73	73.12	Head Start Eligibility for USDA Food Assistance Program
11/21/73	73.13	Instruction for Applying for the USDA Special Food Service Program for Children
11/23/73	NONE	Head Start Grantee Procedures for Applying for United States Department of Agriculture Special Food Service Program for Children
11/21/75	75.12	USDA Reimbursement for Meals and Snacks Under New Legislation, PL 95-105, Child Care Food Program
EDUCATION/CDA		
2/23/73	73.2	Head Start Supplementary Training Policy
10/04/74	75.1	Responding to Individual Needs in Head Start - Part I - Working with the Individual Children
SOCIAL SERVICES/PARENT INVOLVEMENT/CHILD ABUSE		
8/10/70	70.2	Instruction I-31, Section B 2, The Parents
1/22/77	77.2	Identification and Reporting of Child Abuse and Neglect; Policy Instruction
3/18/81	81.1	1981 Family Income Guidelines

HEAD START REGULATIONS—CROSS-REFERENCED

	45 CFR		HDS/GAM
	74	1300	
ACCOUNTING SYSTEM,			
Certification,		1301.13	
Delegates,			II-3-B4
General,			II-3-B1
New applicants,			II-3-B2
On-going grantees,			II-3-B3
ADMINISTRATION,			
General requirements,		1301.30	
Limits on cost of,		1301.32	
Definitions,			
Administrative costs,			II-3-I2a
Program costs,			II-3-I2b
Disallowance,			II-3-I5
General provisions,			II-3-I1
Waiver of,			II-3-I4
APPEALS,	74.5	1301.34	
By delegate agencies,		1303.10-19	
Decisions, final,	74.304[4]		
Kinds of,			
Expenditure,			II-3-G1
Termination, Suspension or refunding denial,			II-3-G2
Right to counsel, counsel fees, and travel,		1303.3	
APPLICATION REQUIREMENTS,			
Eligibility,			
Head Start programs,			II-1-B1
Other grant activities,			II-1-B2
Project period system.			
Head Start programs,			II-1-C1
Other Activities,			II-1-C2
Submissions,			
Continuation grants,			II-1-A1b
New & supplemental grants,			II-1-A1a
AUDITOR,		See Audit	
AUDIT,	74.61	1301.12[5]	
Auditor selection.			II-3-A2
Findings,			
Disallowances,			II-3-A8
Appeals,			II-3-G1
Response to,			II-3-A5
General,			II-3-A1
Other activities, Of,			II-3-A6
Period of,			II-3-A3
Report,			
Submission of,			II-3-A4
BONDING & INSURANCE,			
General,	74.15	1301.11[4]	II-3-C1
Construction & facility improvement,	74.16		
Fidelity bonds,	74.17		
Limitations,			II-3-C2
Source of bonds,	74.18		
BUDGET REVISIONS,	See Revisions		
CHANGES, PROGRAM.	See Revisions		
CLOSEOUT, GRANT,	See Grant Closeout		
CONDITIONS, SPECIAL,			
Grant or subgrant,	74.7		
Violation of terms,	74.113		
CONSULTANTS,			
Use of,			I-3-F
COST PRINCIPLES,			
Costs allowable with approval,	74.176		
Allowable costs,			
Determining,	See Cost Principles		
Governmental units,	74.171[2]		
Hospitals,	74.173		
Institutions, Higher education,	74.172[2]		
Non-profits, Other,	74.174[3]		
Sub-grants & cost type contracts,	74.175[2]		
DELEGATION,			
Of program operations,		1301.33	II-3-H
DEVIATIONS,	74.6		
EDUCATION SERVICES,			
Objectives,		1304.2-1	
Plan content,			
Facilities,		1304.2-3	
Operations,		1304.2-2	
ELIGIBILITY,			
Age,		1305.3	
Definitions,		1305.2	
Enrollment & re-enrollment,		1305.6	
Family income,		1305.4	
Verification,		1305.7	
Fees policy,		1305.8	
Grant,	See Application Requirements		
Handicapped children,		1305.5	
EQUIPMENT,	See Property		
EXCESS FUNDS,	See Funds		
FACILITIES, COST OF,			
Alterations & Renovations,			I-3-H
FEDERAL INCOME TAX,			I-3-K

HEAD START REGULATIONS—CROSS-REFERENCED

	45 CFR 74	45 CFR 1300	HDS/GAM
FEDERAL SHARE, INCREASE OF,	See Non-Federal Match		
FINANCIAL MANAGEMENT SYSTEMS,			
Reporting requirements,	74.70		II-4-A
Definitions,	74.71		
Federal cash transactions,	74.74		
Financial status report,	74.73		
General,	74.72		
Request for advance or reimbursement,	74.75		
Standards,	74.60		I-3-I
Grantee and subgrantee,	74.61		
FORMS,			
Applying for grants,			
Application for Federal assistance,	74.125		
Preapplication,	74.122		
FUNDS,			
Amounts payable to Government, Closeout,	74.112		
Authorized, When exceed needs,	74.108		
Bank account requirements,	74.10		
Minority owned banks,	74.12		
Checks-paid letter of credit,	74.11		
FUNDING OR REFUNDING,			
Changes in grantee status,			
Control of funds,		1302.25	
Denial of refunding,		1302.24	
Shows financial viability but not legal status, Suspension or termination,		1302.22	
Shows legal status but not financial viability,		1302.21	
Suspension or termination,		1302.23	
Definitions,		1302.2	
Denial of application of refunding,		1303.20-26	
Replacing a grantee,			
Consultations required,		1302.3	
Grantee appeal rights,		1302.5	
Unexpended balances, Transferred,		1302.4	
Selection of grantees,		1302.10	
To replace grantee,		1302.11	
Priority to previously selected agencies,		1302.12	
Suspension or termination of assistance,		1303.30-37	
GOALS, PROGRAM	See Program Goals		
GRANT CLOSEOUT,			I-9
Amounts payable to Government,	74.112		
Applicability to subgrants,	74.116		
Closeout,	74.111		
Definitions,	74.110		
Suspension,	74.114		
Termination,	74.115		
Violation of terms,	74.113		
GRANT PAYMENTS,	See Payment Req., Grant		
HEALTH SERVICES,			
Advisory committee,		1304.3-2	
General objectives,		1304.3-1	
Health education,		1304.3-6	
Medical & dental,			
History, screening & examinations,		1304.3-3	
Records,		1304.3-5	
Treatment,		1304.3-4	
Mental health,			
Objectives,		1304.3-7	
Services,		1304.3-8	
Nutrition,			
Objectives,		1304.3-9	
Services,		1304.3-10	
INCOME, GRANT-RELATED,			
Program income,			
From property sales,	74.43		
General,	74.42		I-3-B
Interest on grant funds,	74.47		
Meaning of,	74.41		
Patents & inventions,	74.45		
Received after grant period,	74.46		
Royalties & copyrights,	74.44		
INSURANCE,	See Bonding & Insurance		
MAINTENANCE OF EFFORT,			I-3-Q
MATCHING COSTS OR FUNDS,	See Non-Federal Match		
MONITORING,	See Program Performance		
NON-FEDERAL MATCH,			
Allowable costs,			II-2-A3
Appraisal, Real property,	74.57		
Basic rule,	74.52		

HEAD START REGULATIONS—CROSS-REFERENCED

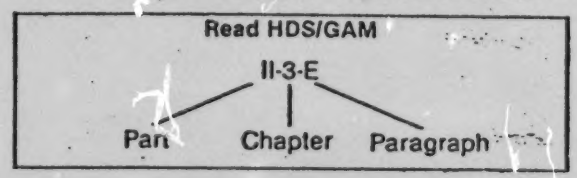
	45 CFR 74	45 CFR 1300	HDS/GAM
Defined,	74.51		
Federal share,			
Increased,			II-2-A2
General,			II-2-A1
Qualifications & exceptions,	74.53		
Required amount,		1301.20	II-2-A1
Other activities,			II-2-B
Waiver criteria,		1301.21	
Valuation,			
Loaned equipment, buildings or land,	74.55		
Donated equipment, buildings or land,	74.56		
Donated services,	74.54		
Donated supplies,	74.55		
PARENT INVOLVEMENT,			
Objectives,		1304.5-1	
Plan content,			
Communication between parents and staff,		1304.5-4	
Involvement between program, parents and area residents,		1304.5-5	
Parent participation,		1304.5-2	
Enhancing parenting skills,		1304.5-3	
PAYMENT REQUIREMENTS, GRANT,			
Definitions,	74.91		
Payment methods,	74.93		
To subgrantees,	74.97		
Requesting,	74.96[1]		
Withholding payments,	74.95		
PERSONNEL ADMINISTRATION,			
Conflict of interest,			II-3-D1
General requirements,		1301.30	II-3-D
Labor standards,			II-3-F
Nepotism,			II-3-D2
Policies,		1301.31	
Unlawful activities,			II-3-D3
Wage comparability,		See Wage Comparability	
PRIOR APPROVAL PROCEDURE,		See Revisions	
PROCUREMENT STANDARDS,			
Applicability,	74.160[1]		
Governmental units,	App. G[1]		
Non-profit organizations,	App. H[1]		
Records, Contractor,			
Access to,	74.164[1]		
Rules governing,	74.161[1]		
Application to subgrantees,	74.163[1]		
PROGRAM INCOME,	See Income, Grant-related		
PROGRAM GOALS,			
Head Start,		1304.1-3	
PROGRAM PERFORMANCE,			
Monitoring,			
By grantees,	74.81		
Reports,			
Construction,	74.83		
Non-construction,	74.82		
Significant developments between,	74.84		
Site visits, HHS,	74.85		
Standards,			
Implementation and enforcement,		1304.1-5	
Plan development,		1304.1-4	
PROJECT NOTIFICATION & REVIEW,			I-1-I
PROJECT PERIOD SYSTEM,	See Application Req.		
PROPERTY,			I-6
Definitions,	74.132[3]		
Disposition of,	74.139		
Federal share of,	74.142		
Intangible,			
Copyrights,	74.145		
Inventions & Patents,	74.144		
Management requirements,	74.140		
Real,	74.134		
Replacement of,	74.138		
Subgrantee's share of,	74.143		
Supplies, Unused,	74.141[3]		
Title to,	74.133		
Vested in grantee,	74.135		
Transfers,			
HHS right to require,	74.136		
Use of,			
Basic rule,	74.137(a)		
Shared,	74.137(b)		
RECORDS,			I-3-D
Access to,	74.24[1]		II-3-J
Restriction on,	74.25[1]		
Microfilming,	74.23		
Retention period,			
Length of,	74.21		
Starting date,	74.22		
REGULATIONS,	See Conditions, Special		

HEAD START REGULATIONS—CROSS-REFERENCED

	45 CFR 74	45 CFR 1300	HDS/GAM
REPORTING,			
Financial,		See Financial Mgmt. Sys.	
Program performance,		See Program Performance	
REVISIONS,			
Budget,			
Construction,	74.106		
General,	74.104		I-1-L
Non-construction,	74.105		
Funds, Authorized,			
Exceeding needs,	74.108		
Prior approval procedures,	74.102		
Programmatic,	74.103		
Relationship to cost principles,	74.101		
SAFETY PRECAUTIONS,			I-3-M
SOCIAL SERVICES,			
Objectives,		1304.4-1	
Plan content,		1304.4-2	
SPECIAL CONDITIONS,		See Conditions, Special	
SINGLE STATE AGENCY,			
Waiver policy,	74.30		
SUPPLIES, UNUSED,		See Property	
SUSPENSION, GRANT,		See Grant Closeout; Funding and Refunding	
TERMINATION, GRANT,		See Grant Closeout; Funding and Refunding	
UNOBLIGATED BALANCES,			I-1-F
WAGE COMPARABILITY,			
Exceptions,			II-3-E3
Civil service/ merit system,			II-3-E3c
Employees from higher wage area,			II-3-E3a
Experts & consultants,			II-3-E3b
Documentation,			II-3-E5
General,			II-3-E1
Minimum wage requirement,			II-3-E2
Procedures,			II-3-E4
WAIVERS,		See Deviations	

Footnotes

(1) Revised, FR, 6/3/80—Pgs. 37667-37672.
(2) Revised, FR, 5/22/80—Pgs. 34272-34274.
(3) Revised, FR, 6/9.81—Pgs. 30500-30502.
(4) Supercedes 45 CFR 74.15; FR, 4/24/79—Pg. 24062.
(5) Supercedes 45 CFR 74.61; FR, 4/24/79—Pg. 24062
(6) Proposed addition, 45 CFR 74.304; FR, 1/6/81—Pgs. 1644-1650.
(7) All references to Part II, OHD-GAM are from the revised version: FR, 10/18/79—Pgs. 60244-60250.



CURRENT HEAD START REGULATIONS

45 CFR 74 Final. FR, 8/2/78—Pgs. 34075-34100.

Amendments and Revisions
FR, 5/22/80—Pgs. 34272-34274.
FR, 6/3/80 —Pgs. 37665-37672.
FR, 1/6/81 —Pgs. 1644-1650.
FR, 6/9/81 —Pgs. 30500-30502.

45 CFR 1301 Final. FR, 4/24/79—Pgs. 24060-24073.
45 CFR 1302 Final. FR, 4/24/79—Pgs. 24060-24073.
45 CFR 1303 Final. FR, 4/24/79—Pgs. 24060-24073.
45 CFR 1304 Prop. FR, 6/30/75—Pgs. 27562-27572.
45 CFR 1305 Final. FR, 4/7/78 —Pgs. 14935-14937.
HDS-GAM Prop. FR, 4/22/77—Pgs. 21046-21084.

Amendments and Revisions
FR, 10/18/79—Pgs. 60244-60250.

OMB A-122 Final. FR, 7/8/80—Pgs. 46021-46034.

Corrections
FR, 3/17/81—Pgs. 17184-17185.

OK TO REPRINT

Material in all MASTER GUIDE editions may be reprinted, without restriction and without permission, by subscribers for their own private, internal use.

Material may also be reprinted in agency and association publications and in other non-profit publications serving the grant and non-profit community. However, only original material may be reprinted; that is, you may not reprint an article we show as a reprint. Also, each reprint must carry the following notice on the first page of the reprint in 7-point or larger type—you may cut out and use this notice if you wish:

© 1981, Vince Harding & Associates. Originally published by MASTER GUIDE PUBLICATIONS, Box 27203, Salt Lake City, UT 84127. Phone: (801) 263-0343 for samples or other information.

The following is a list of frequently used Head Start terms, their definitions and abbreviations:

ACYF	Administration for Children, Youth and Families the national office of the Department of Health and Human Services which operates Head Start and other programs concerned with children.
CYFD	Children, Youth and Families Division the regional office of the Department of Health and Human Services which operates Head Start and other programs concerned with children.
HSPS	Head Start Program Specialist a person who works for the Administration for Children, Youth and Family Services and provides help and assistance to the local Head Start program. Also responsible for monitoring the Head Start programs to assure compliance with all applicable regulations.
STO	State Training Officer a person who provides training and technical assistance to Head Start programs on a state basis.
CMS	Consolidated Management System a four phase process designed to assess the quality of services provided to Head Start Children and their families. The four phases are self-assessment, improvement planning, consolidated management review, and follow-up.
SAVI	Self-Assessment/Validation Instrument a national assessment form used as guidance to determine a program's level of compliance with the performance standards. The first phase of the CMS.
ASAVI	Administrative Self-Assessment Validation Instrument a region III assessment to determine the quality of a program's administrative component.
GIP	Grantee Improvement Plan a planning document that specifies how a program will institute needed improvements or achieve compliance with the performance standards. The second phase of the CMS.

CMR	Consolidated Management Review the grantee is usually visited by a group of federal specialists and local Head Start program personnel who will validate the SAVI and review their improvement plans. The third phase of the CMS.
CAP	Community Action Program an organization either public or private non-profit, which receives Block-grant and other funds to develop and administer community action projects in a specified area. Such agencies are broadly based, organized on a community wide basis and coordinate a variety of antipoverty activities. The grantee for Head Start programs is often a CAP.
PYE	Program Year Ending Date last day of a program's fiscal year
PYB	Program Year Beginning Date the first day of a program's fiscal year
PIR	Program Information Report a required document that provides statistical information regarding Head Start program operations nationally.
PC	Policy Council an organized parent and community decision making group that must participate in all decisions affecting the program.
HSAC	Health Services Advisory Committee a committee comprised of parents and health professionals who assist the local program in the planning, operation and evaluation of the health services component.
CDT	Comprehensive Developmental Team an approach utilized by local program coordinators and consultants to staff children with special needs. The end result of this approach is a comprehensive developmental plan for the child.
ODDE	Observe, Define, Develop, Evaluate a four step observational process that is utilized by teachers to develop individual educational plans for the children.

T/TA	Training and Technical Assistance assistance provided to local programs in developing all facets of Head Start programs.
TNA	Training Needs Assessment a Needs assessment Survey tool utilized by Component personnel in each Head Start program to determine training needs. Data from this survey is also utilized to plan cluster training sessions in each component area.
HSRTC	Head Start Resource and Training Center a segment of the Region III T/TA Network that provides assistance to local programs on a region-wide basis.
RAP	Resource Access Project the RAPs function as brokers, facilitating the delivery of training and technical assistance to meet local Head Start program needs in the area of services to handicapped children.
HSST	Head Start Supplementary Training a special grant provided to Head Start programs to assist them in improving staff's job related skills.
CDA	Child Development Associate an individual who has been awarded the CDA credential by the CDA Consortium after satisfactorily demonstrating competence in his or her performance with children.
NFA	Notice of Financial Assistance the document which specifies the terms and conditions of the grantees grant award. It is prepared and sent by ACYF. This document replaces the one previously known as the Notice of Grant Award (NGA).
Performance Standards	The overall goal of the Head Start program is to bring about a greater degree of social competence in children of low income families. There are many objectives of the basic components. The program performance standards specify these objectives and constitute Head Start policy. Guidance for interpreting and implementing the Performance Standards is provided. Performance Standards are mandatory, but the Guidance is not mandatory.

Component Plans

A written plan for each of the seven program components (as well as an optional administrative plan) which details the goals, objectives, and strategies that the program will pursue to meet component objectives. An HSRTC publication entitled Program Planning Guide addresses the content and format for writing plans.

Grant Application

Also called your "proposal." (See Grant Application Package, page 78-84.) The Grant Application consists of five parts:

Part I — The Application Form (SF 424) requesting Federal Assistance

Part II — Project Approval Information; ten questions with yes - no answers

Part III — Budget Information with Sections A through F. The forms are the same whether completing a draft budget (which is due at the same time as your annual SAVI results) or a final budget due after your annual CMR is completed)

Part IV — Program Narrative - a written description of what the program objections are and how the program will meet these objectives

Part V — Assurances - the grantee assures that Federal regulations and policies will be followed.

Component

Head Start philosophy calls for a comprehensive developmental program for children and their families. The program integrates the six components of Education, Health, Handicap, Nutrition, Parent Involvement and Social Services.

ACRONYMS AND ABBREVIATIONS

ACYF	Administration for Children, Youth and Families
BES	Basic Educational Skills Project
CAA	Community Action Agency
CAP	Community Action Program
CCFP	Child Care Food Program
CETA	Comprehensive Employment and Training Act (1973)
CFR	Code of Federal Regulations
CFRP	Child and Family Resource Program
CMR	Consolidated Management Review
CNA	Community Needs Assessment
CR	Community Representative
CSA	Community Services Administration
DHHS	Department of Health and Human Services
EEO	Equal Employment Opportunity
GMBO	Grants Management and Budget Officer
HD. ST.	Head Start
HS	Home Start
HSST	Head Start Supplementary Training
HSTC	Home Start Training Center
IMPD	Indian and Migrant Program Division
LAT	Local Assessment Team
LDO	Locally Designed Option
LEA	Local Education Agency
LPA	Limited Purpose Agencies
OFO	Office of Fiscal Operations
OHDS	Office of Human Development Services

OMB	Office of Management and Budget
NFA	Notice of Financial Assistance
PCC	Parent and Child Center
PDC	Project Development Continuity
PDD	Program Development Division
PMOD	Program Management and Operations Division
PR & RS	Program Review and Resource Specialist
RAP	Resource Access Project
RO	Regional Office
SAVI	Self-Assessment Validation Instrument
SEA	State Education Agency
T/TA	Training and Technical Assistance
USDA	United States Department of Agriculture

GRANTS ADMINISTRATION MANUAL

OHD

THE OFFICE OF HUMAN DEVELOPMENT

26

OHD GRANTS ADMINISTRATION MANUAL

THE OFFICE OF HUMAN DEVELOPMENT

U.S. DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Table of Contents

Introduction i

Organization of the Manual ii

Glossary of Terms iii

Part I – OHD Administrative Requirements

Application, Review, Award, and Amendment of Grant – Chapter 1

Application Procedures 1-1-1
Eligibility 1-1-2
Grant Awards 1-1-2
Notice to Unsuccessful Grant Applicants 1-1-2
Recommended Level of Support 1-1-3
Unobligated Balances 1-1-3
Salary Information in Applications . . . . .
Project Period System of Obligating Funds for Discretionary Project Grants 1-1-4
Project Notification and Review System 1-1-4
Project Changes 1-1-5
Review and Direction of Research Effort 1-1-6
Budget Revisions 1-1-7

Cost Sharing, Matching and Payments – Chapter 2

Matching 1-2-1
Grant Payments 1-2-4

Financial and Administrative Requirements – Chapter 3

Grantee Administrative Responsibilities 1-3-1
Grant Related Income 1-3-1
Reimbursements from Other Federal Agencies 1-3-2
Records Retention and Access 1-3-3
Personnel Administration Guidelines 1-3-4
Use of Consultants 1-3-5
Bonding and Insurance 1-3-6
Alteration and Renovation 1-3-7
Financial Management Standards 1-3-7
Institutional Audits 1-3-8
Federal Income Tax 1-3-9
Military Service 1-3-9
Safety Precautions 1-3-9
Laboratory Animals 1-3-9
Publication and Publicity 1-3-10
Surveys and Questionnaires 1-3-10
Maintenance of Effort 1-3-10
Audio-Visual Materials 1-3-10
Appeals 1-3-11

Reporting Requirements – Chapter 4

Reporting Requirements 1-4-1
Delinquent Reports 1-4-3

Grantee Procurements – Chapter 5

Procurement 1-5-1

Property – Chapter 6

Property 1-6-1

Costs – Chapter 7

Costs 1-7-1

Public Policy Requirements – Chapter 8

Environmental Impact 1-8-1
Small Business and Minority Owned Business 1-8-1
Civil Rights 1-8-1
Human Subjects 1-8-2
Citizenship 1-8-2

Grant Closeout, Suspension, and Termination – Chapter 9

Grant Closeout 1-9-1
Guidelines and Procedures Applicable to Suspension and Termination 1-9-1
Procedures Applicable to Termination on Other Grounds 1-9-2

Part II – Office of Child Development Administrative Requirements

Subpart A – Head Start

Application, Review, Award and Amendment of Grants – Chapter 1

Application Requirements Under the Head Start Program 2-1-1

Cost Sharing, Matching and Payments – Chapter 2

Matching Requirements for Head Start Grants 2-2-1

Financial and Administrative Requirements – Chapter 3

Audits 2-3-1
Accounting System Certification 2-3-2
Insurance Requirements for Head Start Grantees 2-3-3
Personnel Administration Standards for Head Start Grantees 2-3-4
Guidelines and Procedures in Establishing Wage Comparability 2-3-4
Labor Standards 2-3-7
Appeals Procedures Under Head Start Program 2-3-7
Delegation of Program Operations 2-3-7

Reporting Requirements – Chapter 4

Reporting Requirements for Head Start Grantees 2-4-1

Part III – Office of Native American Program Administrative Requirements

Application, Review, Award and Amendment of Grants – Chapter 1

Application Requirements Under the Office of Native American Program 3-1-1

Cost Sharing, Matching and Payments – Chapter 2

Matching Requirements for Native American Program Grants 3-2-1

Financial and Administrative Requirements – Chapter 3

Audits 3-3-1
Accounting System Certification 3-3-2
Personnel Administration Standards for Native American Program Grantees 3-3-3
Labor Standards 3-3-3
Appeals Procedures Under Native American Programs 3-3-4

Reporting Requirements – Chapter 4

Reporting Requirements for Native American Program Grantees 3-4-1

Grantee Procurements – Chapter 5

Indian Preference 3-5-1

Introduction

This manual sets forth applicable administrative policies, procedures and guidelines to recipients of discretionary project grants awarded by program offices in the Office of Human Development except those funded by RSA. It is intended to serve as a basic reference for business officers and project directors of grantee institutions who are engaged in the administration and financial management of grants awarded by OHD program offices. The provisions of this manual are not applicable to construction grants.

The policies and procedures included herein are subject to applicable Federal laws and regulations and any changes made thereto adopted subsequent to its publication. In the event these policies and procedures conflict with applicable Federal laws, regulations and policies, the following order of precedence shall prevail:

1. Federal Legislation
2. Federal Regulations
3. Terms and Conditions of Grant Award
4. OHD Grants Administration Manual
5. HEW Grants Administration Manual

The principles upon which these OHD policies are based are prescribed in the following documents available from the U.S. Government Printing Office, Washington, D.C.

1. Code of Federal Regulations (Title 45)
   Title 45 includes the administrative and program regulations applicable to OHD grants. Compilations are available in booklet form from the U.S. Government Printing Office.
2. Federal Register
   This publication is used to announce proposed and final rule making issuances, including announcements, of new programs and regulations, as well as policies issued by the Office of Management and Budget, the Department of Health, Education, and Welfare and the Office of Human Development.
3. HEW Grants Administration Manual
   The HEW manual sets forth detailed requirements to which all HEW awarding offices must adhere in the administration of grant supported projects. It is available on a subscription basis, including new chapters as they are issued, from the U.S. Government Printing Office.

Grantee institutions are encouraged to maintain, or have access to, copies of the referenced documents which present both basic and detailed guidance on administrative policies and procedures to be used in the administration of OHD program grants.

Stanley B. Thomas, Jr.
Assistant Secretary for
Human Development

ADMINISTRATION OF GRANTS

FEDERAL REGULATIONS

TITLE 45 PART 74

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
OFFICE OF THE SECRETARY, OFFICE OF GRANTS AND PROCUREMENT

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20201

TITLE 45 OF THE CODE OF FEDERAL REGULATIONS
PART 74
"ADMINISTRATION OF GRANTS"

This is a copy of a regulation that applies to almost all HEW grants. The regulation deals with many questions common to HEW grant programs, such as how long records must be kept, what reports must be submitted, how matching requirements can be met, and how allowable costs are determined.

This regulation is intended to:

- Minimize burdens on recipients.
- Standardize rules for HEW grant programs to the maximum extent possible.
- Express HEW requirements in simple, easy to understand, and legally precise language.

Suggestions for the improvement of this regulation are always welcome. Please address them to:

Matthias Lasker
Office of the Assistant Secretary for
Management and Budget
Department of Health, Education, and
Welfare
Washington, D. C. 20201
Tel. 202 245-8901

In addition to this regulation, HEW grants are subject to Federal statutes; other regulations, including HEW program regulations; individual award documents; and sometimes other documents as well. Applicants and grantees with questions about what rules apply should contact the HEW office which administers the grants involved.

Leonard D. Schaeffer
Assistant Secretary for
Management and Budget

Code of Federal Regulations

Title 45—Public Welfare

SUBTITLE A—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE, GENERAL ADMINISTRATION

PART 74—ADMINISTRATION OF GRANTS

HEAD START REGIONAL
TRAINING CENTER

Subpart A—General

Sec.
74.1 Purpose and scope of this part.
74.2 Scope of subpart.
74.3 Definitions.
74.4 Applicability of this part.
74.5 Appeals.
74.6 Deviations.
74.7 Special grant or subgrant conditions.

Subpart B—Cash Depositories

74.10 Physical segregation and eligibility.
74.11 Checks-paid basis letter of credit.
74.12 Minority-owned banks.

Subpart C—Bonding and Insurance

74.15 General.
74.16 Construction and facility improvement.
74.17 Fidelity Bonds.
74.18 Source of Bonds.

Subpart D—Retention and Access Requirements for Records

74.20 Applicability.
74.21 Length of retention period.
74.22 Starting date of retention period.
74.23 Substitution of microfilm.
74.24 Access to records.
74.25 Restrictions on public access.

Subpart E—Waiver of Single State Agency Requirements

74.30 Policy.

Note. In this copy of 45 CFR Part 74, the pages of each subpart are numbered separately. If HEW amends Part 74 to expand a subpart, this numbering system will make it possible to add pages to that subpart without renumbering the pages that follow.

Subpart F—Grant-Related Income

Sec.
74.40 Scope of subpart.
74.41 Meaning of program income.
74.42 General program income.
74.43 Program income — proceeds from sale of real property and from sale of equipment and supplies acquired for use.
74.44 Program income — royalties and other income earned from a copyrighted work.
74.45 Program income — royalties or equivalent income earned from patents or from inventions.
74.46 Program income — income after grant or subgrant support not otherwise treated.
74.47 Interest earned on advances of grant funds.

Subpart G—Cost Sharing or Matching

74.50 Scope of subpart.
74.51 Definitions.
74.52 Basic rule: Costs and contributions acceptable.
74.53 Qualifications and exceptions.
74.54 Valuation of donated services.
74.55 Valuation of donated supplies and loaned equipment or space.
74.56 Valuation of donated equipment, buildings, and land.
74.57 Appraisal of real property.

Subpart H—Standards for Grantee and Subgrantee Financial Management Systems

74.60 Scope of subpart.
74.61 Standards.

Subpart I—Financial Reporting Requirements

74.70 Scope and applicability of subpart.
74.71 Definitions.
74.72 General.
74.73 Financial Status Report.
74.74 Federal Cash Transactions Report.
74.75 Request for Advance or Reimbursement.
74.76 Outlay Report and Request for Reimbursement for Construction Programs.

Subpart J—Monitoring and Reporting of Program Performance

74.80 Scope of subpart.
74.81 Monitoring by recipients.
74.82 Performance reports under nonconstruction grants.
74.83 Performance reports under construction grants.
74.84 Significant developments between scheduled reporting dates.
74.85 Site visits.

Subpart K—Grant and Subgrant Payment Requirements

Sec.
74.90 Scope of subpart.
74.91 Definitions.
74.92 Basic standard.
74.93 Payment methods under nonconstruction grants.
74.94 Payment methods under construction grants.
74.95 Withholding of payments.
74.96 Requesting advances or reimbursements.
74.97 Payments to subgrantees.

Subpart L—Programmatic Changes and Budget Revisions

74.100 Scope and applicability of this subpart.
74.101 Relationship to cost principles.
74.102 Prior approval procedures.
74.103 Programmatic changes.
74.104 Budgets generally.
74.105 Budget revisions-nonconstruction projects.
74.106 Budget revisions-construction projects.
74.107 Construction and nonconstruction work under the same grant or subgrant.
74.108 Authorized funds exceeding needs.

Subpart M—Grant and Subgrant Closeout, Suspension, and Termination

74.110 Definitions.
74.111 Closeout.
74.112 Amounts payable to the Federal Government.
74.113 Violation of terms.
74.114 Suspension.
74.115 Termination.
74.116 Applicability to subgrants.

Subpart N—Forms for Applying for Grants

74.120 Scope of subpart.
74.121 Authorized forms and instructions for governmental organizations.
74.122 Preapplications for Federal Assistance for governmental organizations.
74.123 Notice of Preapplication Review Action for governmental organizations.
74.124 Application for Federal Assistance (Nonconstruction Programs) for governmental organizations.
74.125 Application for Federal Assistance (for Construction Programs) for governmental organizations.
74.126 Application for Federal Assistance (Short Form) for governmental organizations.
74.127 Authorized forms and instructions for nongovernmental organizations.

Subpart O—Property

General

74.130 Scope and applicability of this subpart.
74.131 Prohibition against additional requirements.
74.132 Definitions.
74.133 Title to real property, equipment, and supplies.

Real Property

74.134 Real Property.

Equipment and Supplies

74.135 Exemptions for equipment and supplies subject to certain statutes.
74.136 Rights to require transfer of equipment.
74.137 Use of equipment.
74.138 Replacement of equipment.
74.139 Disposition of equipment.
74.140 Equipment management requirements.
74.141 Supplies.

Federal Share of Real Property, Equipment, and Supplies

74.142 Federal share of property.
74.143 Subgrantee's share of market value or sales proceeds.

Intangible Personal Property

74.144 Inventions and patents.
74.145 Copyrights.

Subpart P—Procurement Standards

74.160 Scope of subpart; terminology.
74.161 General.
74.162 Code of conduct.
74.163 Free competition.
74.164 Procedural requirements.
74.165 Requirement for governments to use formal advertising.
74.166 Contract provisions.

Subpart Q—Cost Principles

74.170 Scope of subpart.
74.171 Governments.
74.172 Institutions of higher education.
74.173 Hospitals.
74.174 Other nonprofit organizations.
74.175 Subgrants and cost-type contracts.
74.176 Costs allowable with approval.

34

Appendix A—[Reserved]
Appendix B—[Reserved]
Appendix C—Principles for determining costs applicable to grants and contracts with State and local governments.
Appendix D—Part I—Principles for determining costs applicable to research and development under grants and contracts with educational institutions. Part II—Principles for determining costs applicable to training and other educational services under grants and contracts with educational institutions.
Appendix E—Principles for determining costs applicable to research and development under grants and contracts with hospitals.
Appendix F—Principles for determining costs applicable to grants and contracts with nonprofit institutions.

AUTHORITY: 5 U.S.C. 301.

SELF - ASSESSMENT PROCESS

Questions You May Have About the SAVI..... 31

Consolidated Management System (CMS) Guidance..... 33

Letter of Understanding..... 56

Grantee Improvement Plan..... 59

SAVI (SELF-ASSESSMENT VALIDATION INSTRUMENT)

QUESTIONS YOU MAY HAVE	PEOPLE WHO HAVE ANSWERS	MATERIALS TO CONSULT
1) What is the purpose of SAVI?	HSPS, T/TA provider or an experienced HS Director	SAVI Document Performance Standards
2) What is the role of the Head Start Program Specialist in the SAVI?	HSPS or T/TA provider	CMS Guidance issued by Regional Office October, 1981
3) How do you conduct a SAVI?	T/TA provider Staff/Former Director PC	Previous SAVI's P.I. work plan Possibly by-laws PC Minutes SAVI document
4) What is an on-site CMR (consolidated management review)?	HSPS T/TA provider	CMS Guidance issued by Regional Office October, 1981
5) What roles do the grantee and PC play in the SAVI?	PC Staff Grantee	Previous SAVI PC minutes/ Possibly by-laws
6) How can the SAVI be helpful (e.g., how can this be used for program planning)?	T/TA provider Experienced HS Director	Grantee Improvement Plans Component plans Written reports from participants
7) What happens next? or So what?	T/TA provider HSPS Experienced Staff HS Director	Letter of Funding Guidance CMS Guidance

Region III ACYF monitors the quality of Head Start programs by a Consolidated Management System (CMS). The goals of the CMS are:

1) Compliance with Head Start Program Performance Standards;

2) Improved Management and services;

3) Increased community concern and capacity to serve Head Start children and families.

The procedural steps of the process are outlined in the following Consolidated Management System Guidance issued in October, 1981, by Region III Children, Youth and Families Division.

Further clarification of the Letter of Understanding and the Grantee Improvement Plans is provided immediately following the GMS Guidance issuance.

Memorandum

DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF THE SECRETARY
REGION III – PHILADELPHIA

TO : "SEE BELOW" DATE: October 30, 1981

FROM : Program Review & Resource Officer
Children, Youth & Families Division

SUBJECT: Consolidated Management System Guidance, RO-RS-82-1

Attached is a copy of the Consolidated Management System Guidance, RO-CMS-82-1, October, 1981, a compilation of essential materials for use in Fiscal Year 1982.

Please note important changes in the system which are described in the introduction to the guidance.

Robert W. Shaffer

Addressees:

Head Start Grantee Directors
Head Start Directors
Parent Policy Chairpersons
State Training Officers
Regional Resource and Training Center
Westinghouse Health Systems
Resource Access Project
Dental Section, Health Manpower Branch, PHS
Office of Fiscal Operations, OHDS
Development Associates

CONSOLIDATED MANAGEMENT SYSTEM GUIDANCE

RD-CMS-82-1

Children, Youth and Families Division

Region III

October, 1981

40

CONSOLIDATED MANAGEMENT SYSTEM GUIDANCE

CONTENTS

I. Introduction and Glossary

II. Consolidated Management System

III. Grantee Improvement Plan (GIP) - Form and Instructions

IV. Grantee Improvement Plan (GIP) Quarterly Report Forms and Instructions

Appendices:

1. Sample Documentation List

2. Projected On-Site Consolidated Management Review Schedule - FY 1982

I. INTRODUCTION

Since its inception in Fiscal Year 1975, the goals of the Region III Consolidated Management System (CMS) have remained unchanged. They are:

1. Compliance with Head Start Program Performance Standards;
2. Improved management and services; and
3. Increased community concern and capacity to serve Head Start children and families.

In FY 1982, regarding goal number one, greater emphasis will be placed on the concept that the Head Start Program Performance Standards are intended to be largely self-enforcing (Section 1304.1-1). In general there will be a lessened federal monitoring presence in the field. In regard to goal number three, there will be an increased emphasis on building linkages between Head Start and other agencies with a mission to serve the Head Start population.

Specific changes have been made in the system by which the CMS goals are accomplished:

1. On-site reviews no longer will follow a cyclical pattern;

2. Beginning in FY 1982 (October, 1981), grantees will not be required to complete the SAVIs;

3. Grantees will be required to conduct an annual Self-Evaluation (Transmittal Notice 70.2). The Head Start Program Specialist will contact the grantee 310 days before PYE to determine the method selected for conducting the evaluation and reporting results to CYFD;

4. Since SAVIs are based on current regulations, Head Start Program Specialists and reviewers working under their leadership will continue to use them as guides while conducting on-site or routine CMRs;

5. On-site CMRs will not be as extensive in time or detail as previous in-depth reviews have been;

6. On-site CMR teams will no longer be staffed predominently with contracted consultant specialists. Instead, teams will be composed largely of federal specialists and local Head Start program personnel from a state other than the one in which the review is to be conducted. In some instances state agency personnel may be used as well.

7. Contracted consultant specialists who previously served on in-depth CMR teams will be available to provide follow-up training and technical assistance. Included will be specialists available through:

Westinghouse Health Systems
Development Associates
Resource Access Project and
State Training Offices

Also some follow-up assistance will be available from the Resource and Training Center and Public Health Systems.

While the changes detailed above will require operational adjustments, they are compatible with a longstanding Regional Office emphasis on increasing local Head Start program self-sufficiency.

CONSOLIDATED MANAGEMENT SYSTEM

GLOSSARY

DHHS	Department of Health and Human Services
OHDS	Office of Human Development Services
ACYF	Administration on Children, Youth and Families (National)
HSPS	Head Start Program Specialist (Fomerly Community Representative)
PRRO	Program Review & Resource Officer
HSRTC	Head Start Resource & Training Center
STO	State Training Officer
RHLS	Regional Health Liaison Specialist
RMHC	Regional Mental Health Coordinator
RNC	Regional Nutrition Coordinator
RAP	Resource Access Project
CMS	Consolidated Management System
* SAVI	Self-Assessment Validation Istrument
* ASAVI	Administrative Self-Assessment Validation Instrument
* RASAVI	Regional Administrative Self-Assessment Validation Instrument
GIP	Grantee Improvement Plan
GIO	Grantee Improvement Objective
PYB	Program Year Beginning
PYE	Program Year End
CSP	Component Service Plan

*Use by local grantees no longer mandated.

ON-SITE CMR - Team review lasting several days conducted at grantee's site.

ROUTINE CMR - Desk review conducted in Regional Office

SELF-EVALUATION - Annual evaluation conducted by Head Start grantee in compliance with Transmittal Notice 70.2

COMPLETE APPLICATION - Full application, Parts I through V

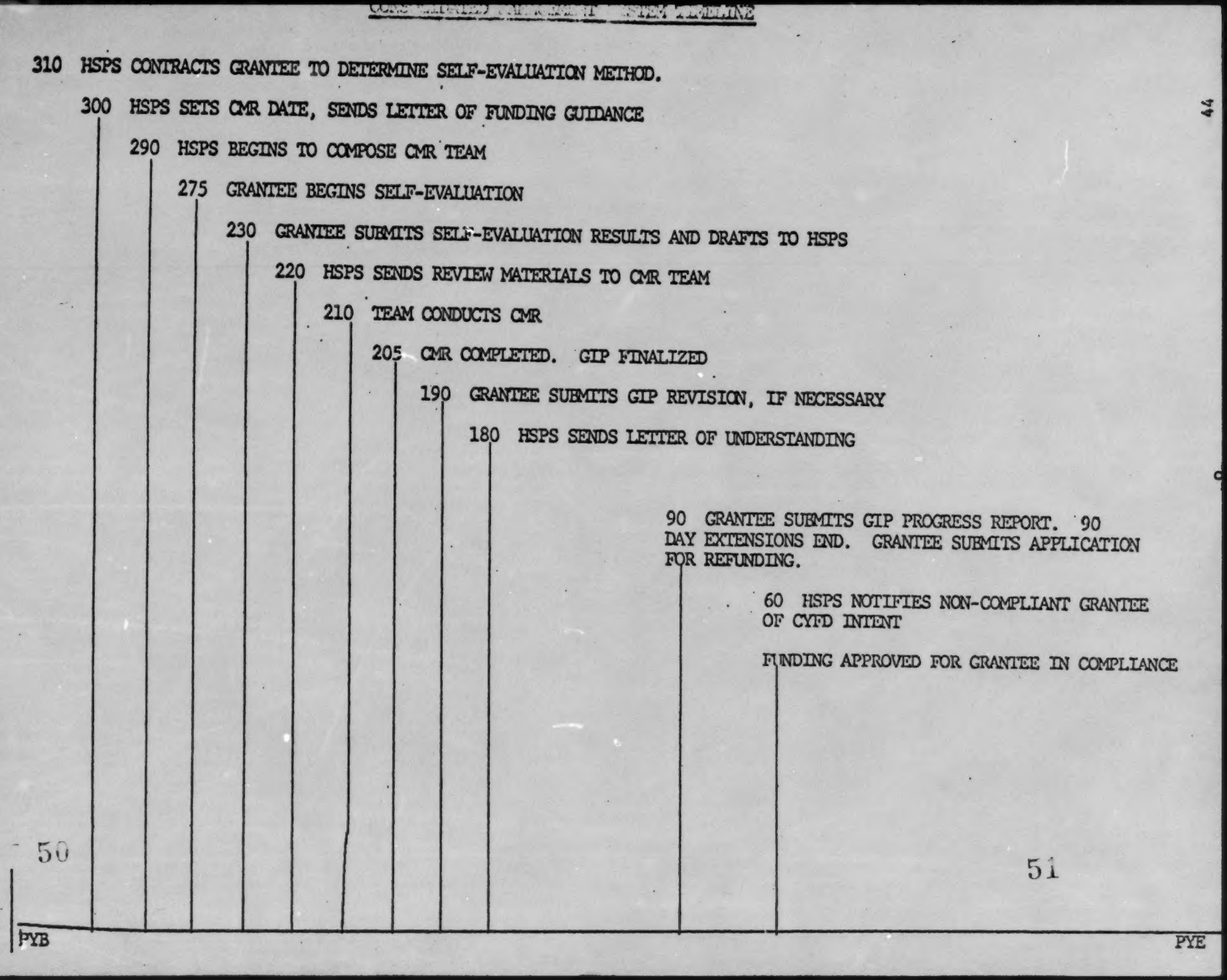
CONTINUATION APPLICATION - Parts I, II, III, IV (Section 3b, 5a and 5b only) and V

DAYS BEFORE PYE		PROCEDURAL STEPS
310	SELF EVALUATION METHOD	Head Start Program Specialist (HSPS) will contact grantee to determine method selected by grantee for conducting annual self-evaluation and reporting results to CYFD.
300	LETTER OF FUNDING GUIDANCE	HSPS sends Letter of Funding Guidance to confirm method of self-evaluation to be used by grantee and to notify grantee of: . Projected funding level; . Type of review to be conducted, ie., on-site or routine; . Date of Consolidated Management Review (CMR); . Type of application to be submitted, ie., complete or continuation; and . To address any other matters requiring attention. Letter of Funding Guidance also specifies date for grantee submisstion of: . Self-evaluation results; . draft narrative with component service plans; . draft budget; and . draft GIP List of any meeting to be scheduled during the review period is provided. Date is given by which HSPS will notify grantee of other CMR details such as: . Team members by component; . meeting and interview schedule; . records to be made available for team review; . any special arrangements required; and . whether training plans shall be incorporated in the narrative and GIP, or submitted as

		separate document which is referenced in narrative and GIP.
290	GRANTEE PREPARATION	Grantee begins preparations for CMR with assistance of STO as necessary.
	CMR TEAM	HSPS begins to compose team for on-site CMR or to plan routine CMR. In addition to the HSPS team leader, review teams may include: . Other federal Specialists; . State Specialists; and . Local Head Start program personnel from states other than one in which review is being conducted.
275	SELF-EVALUATION	Grantee begins self-evaluation using selected format and assistance of STO as necessary. Based on self-evaluation results, grantee prepares drafts of Program Narrative, Budget, and GIP. GIP includes detailed plans for correcting compliance deficiencies and for improving the quality of program services. GIP strategies provide for accomplishment of objectives; Immediately By the CMR date
	PREPARATION OF DRAFTS	Within 90 days following date of LOU, assuming extension is granted; or Within a one year period following date of LOU, see attached GIP format and instructions. Grantee proposals are prepared as specified by HSPS in Letter of Funding Guidance.
230	SELF-EVALUATION & DRAFTS	Grantee submits results of self-evaluation and required drafts to HSPS and STO.
220	COMPONENT MATERIALS	HSPS sends appropriate sections of self-evaluation, GIP and narrative to team members in preparation for CMR. Instructions for CMR participation are also sent as necessary.

210	ON-SITE CMR ORIENTATION	On-site review begins with an orientation of team led by HSPS. During this meeting team leader clarifies manner in which CMR will be conducted and what is expected of each team member regarding: . Conducting interviews, meetings and observations; . Reviewing components; . Using GIP format for recommended GIP revisions or additions; . Achieving maximum local program involvement in development of revisions and additions; . Providing team leader with copy of validated components, GIP recommendations, other pertinent oral or written information, at conclusion of CMR service; and . Attending and contributing to team meetings held during CMR.
	ROUTINE CMRS	HSPS conducts paper review in Regional Office with assistance of state and federal specialists when appropriate.
205	EXIT INTERVIEW	HSPS concludes on-site CMR with a meeting of team with grantee representatives. After resolving any remaining differences between grantee self-evaluation and team findings, the team leader orally specifies: . Areas of non-compliance and quality improvement; . Actions required to achieve compliance; . Dates by which compliance must be achieved; . Method by which GIP progress and completion will be tracked; . How achievement of compliance will be determined; . Steps Regional Office will take in the event compliance is not achieved within agreed time frame. When GIP is not approved at time of exit interview, HSPS may allow grantee two weeks to revise plan with assistance of STO and resubmit it.
	ROUTINE CMR	HSPS will communicate review results and grantee requirements in LOU.

190	GIP REVISIONS	Grantee submits any necessary GIP revisions to HSPS with a copy to STO.
180	LETTER OF UNDERSTANDING	HSPS sends grantee Letter of Understanding (LOU) which formally verifies all findings orally communicated to grantee at close of on-site review. LOU may also contain approval of GIP revisions. Extension periods of 90 days or one year (not to exceed date of next CMR) shall be measured from date of LOU. STOs and other T/TA providers assist grantee to accomplish GIP objectives. STOs begin tracking accomplishment of GIP objectives.
90	QUARTERLY GIP PROGRESS REPORT	Grantee submits Quarterly GIP Progress Report to STO no later than five (5) days following close of 90 day period measured from date of LOU. Within five (5) days of receipt, STO adds required comments and submits to HSPS. STO contacts HSPS immediately when grantee report is not received from grantee according to schedule. 90 day extensions expire. For GIP objectives with extensions of more than 90 days approved, grantee shall submit Progress Reports in subsequent quarters until objectives are achieved.
	APPLICATION SUBMITAL	Grantee submits application for refunding.
	REVIEW	Review of grantee application is conducted by HSPS with assistance of: . Other federal specialists; . State Training Officers; and . Local Grantee Personnel as requested
60	NON-COMPLIANCE	HSPS formally notifies non-compliant grantee of CYFD intent according to performance standards policy.
	REFUNDING APPROVAL	CYFD approves refunding of grantee which is in full compliance with performance standards and other CYFD policies and requirements.
0	FUNDS AVAILABLE	Approved funds are available to grantee


310 HSPS CONTRACTS GRANTEE TO DETERMINE SELF-EVALUATION METHOD.
300 HSPS SETS CMR DATE, SENDS LETTER OF FUNDING GUIDANCE
290 HSPS BEGINS TO COMPOSE CMR TEAM
275 GRANTEE BEGINS SELF-EVALUATION
230 GRANTEE SUBMITS SELF-EVALUATION RESULTS AND DRAFTS TO HSPS
220 HSPS SENDS REVIEW MATERIALS TO CMR TEAM
210 TEAM CONDUCTS CMR
205 CMR COMPLETED. GIP FINALIZED
190 GRANTEE SUBMITS GIP REVISION, IF NECESSARY
180 HSPS SENDS LETTER OF UNDERSTANDING
90 GRANTEE SUBMITS GIP PROGRESS REPORT. 90 DAY EXTENSIONS END. GRANTEE SUBMITS APPLICATION FOR REFUNDING.
60 HSPS NOTIFIES NON-COMPLIANT GRANTEE OF CYFD INTENT
FUNDING APPROVED FOR GRANTEE IN COMPLIANCE
50
51
PYB
PYE

III. GRANTEE IMPROVEMENT PLAN INSTRUCTIONS

1. GRANTEE IMPROVEMENT PLAN (GIP): A management instrucment for achieving compliance with performance standards, compliance with ACYF policies, or improvement of program quality.

2. COMPONENT: Please enter name of component and subpart when appropriate, e.g., Health, Dental.

3. CONSULTANT: Name of Specialist providing component assistance.

4. GOAL: Please check one. For performance standard compliance please indicate whether non-compliance is in regard to Written Plan (WP) or Program Operations (PO).

5. PERFORMANCE STANDARD OR OTHER POLICY: Please enter reference for specific performance standard with which grantee is considered out-of-compliance, e.g., 1304.2-3(a) (12).

   When grantee is out-of-compliance with other ACYF policy requirements, please cite specific policy.

   When an objective addresses a Quality Improvement, please enter related performance standard or other policy reference as appropriate.

6. OBJECTIVES: Please enter concise statement of objective including measureable end result to be accomplished.

   Example: Goal: PS/PO

   Objective #1 - to provide three staff training sessions for (specify trainees) on identifying children with special needs, working with children with special needs and their parents, and coordinating relevant referral resources.

NOTE: Since for any performance standard non-compliance may be in WP or PO, GIP objectives shall be developed accordingly.

When a grantee is out of compliance with a WP requirement, the achievement of the corresponding GIP objective shall result in a WP which, except in the case of the Education Component, shall be included in the program narrative submitted for refunding. All GIP objectives relating to WP shall be completed no later than 90 days after the date of the Letter of Understanding.

When a grantee is out of compliance with a PO requirement, the corresponding GIP objective shall be essentially implementation of the portion of the WP that relates to the operational deficiency. When necessary, Action steps shall be added that facilitate full implementation of the section of the WP which is involved. Action steps shall constitute the sequential activities necessary to accomplish the objective. All GIP objectives relating to PO shall be completed no later than the date of the next CMR.

Whenever feasible, action steps shall include method of compliance documentation. By this means approval of the method of documentation and all parties will share a common understanding of the method by which achievement of compliance will be determined.

When a grantee is out of compliance in PO but not in WP and the specific operation cannot be certified to be in compliance within a 90 day extension period, action steps shall be included in the GIP which indicate dates when operation can next be certified.

Please enter the sequential steps necessary to accomplish each objective.

7.. STRATEGIES: Example: Action Step 1.1 - to establish date and place for each of three (3) training sessions.

8. REQUIRED DAYS/ COMPLETION DATE: For each objective and action step please enter the number of calendar days required and the target date for completion.

Example: 90 days

March 31, 1980

9. ESTIMATED COST DAYS AND DOLLARS: For each objective please enter the total staff and consultant days required. Cost estimates shall be included when a grantee's non-compliance is due to a lack of funds as stated in Performance Standards 1304.1-5, (f), (2), (4).

10. PERSON RESPONSIBLE: For each objective and action step please enter the name of the person with prime responsibility for accomplishment.

11. CMR RELATED TRAINING AND TECHNICAL ASSISTANCE (T/TA): Specialists who serve as CMR team members have two (2) major responsibilities: (1) to review the grantee's self-evaluation; and (2) to provide supportive technical assistance. Given time limitation, technical assistance which enables the grantee to formulate clear and realistic GIP objectives/strategies is most likely to produce long term benefits, because GIP implementation will be tracked until completion.

Whenever appropriate, action steps shall be included in the GIP which provide for specific follow-up training or technical assistance by identified providers. These providers may be obtained from local resources or agencies included in the Regional T/TA Network, e.g., Regional Resource and Training Center (RRTC), State Training Officers (STO), Westinghouse Health Systems, Dental Consultants, CYFD Specialists, etc.

GRANTEE IMPROVEMENT PLAN

GOAL: ☐ PERFORMANCE STANDARD COMPLIANCE ☐ WRITTEN PLAN
☐ PROGRAM OPERATIONS
☐ OTHER ACYF POLICY COMPLIANCE
☐ QUALITY IMPROVEMENT

COMPONENT: _____ CONSULTANT: _____

PERFORMANCE STANDARD OR OTHER POLICY	OBJECTIVES AND STRATEGIES	TIME REQ'D AND COMPLE-TION DATE	EST. DAYS	COSTS $	PERSON/S RESPONSIBLE

GRANT[illegible]NT PLAN (CONTINUED)

COMPONENT: _____

PERFORMANCE STANDARD OR OTHER POLICY	OBJECTIVES AND STRATEGIES	TIME REQ'D AND COMPLE-TION DATE	EST. DAYS	COSTS $	PERSON/S RESPONSIBLE

IV. GIP QUARTERLY REPORT INSTRUCTIONS

1. GIP QUARTERLY REPORT:

A progress report on completion of objectives to be submitted by grantee to STO no later than five (5) days following the end of a quarter. STO shall add comments and submit to HSPS within five (5) days of receipt.

An important tool for determining achievement of compliance with performance standards and other ACYF policies.

2. PERFORMANCE STANDARD OR OTHER POLICY:

From corresponding column on GIP enter appropriate reference.

3. GOAL:

From corresponding entry on GIP enter as follows:

PS (Performance Standard)
WP (Written Plan)
PO (Program Operations)
OP (Other ACYF Policy)
QI (Quality Improvement)

For performance standard compliance goals, please indicate whether WP or OP, e.g., PS/PO.

4. GIP#:

From GIP enter appropriate Grantee Improvement Objective number.

5. A.S. ACTION STEP:

From GIP enter Action Step number

6. COMPL. (COMPLETION):

Indicate completion or non-completion of objective and action steps by Y (yes) N (no). To be completed by both grantee and STO.

7. EVIDENCE:

Please enter evidence for completion of GIP and action steps or reason for non-completion. When the type of evidence to be accepted has been cited and agreed upon in the approved GIP the completion of this column will be simplified.

GIP QUARTERLY REPORT

GRANTEE _____

DATE OF LOU: _____

QUARTER: ___1, ___2, ___3, ___4

COMPLETED BY: _____

DATE REPORT SUBMITTED TO STO___

DATE SUBMITTED TO HSPS_____

GRANTEE							STO		
PERFORMANCE STANDARD OR OTHER POLICY	GOAL	GIO#	AS#	COMPL Y	COMPL N	EVIDENCE FOR COMPLETION OR REASON FOR NON-COMPLETION	COMPL Y	COMPL N	COMMENTS

59

60

GRANTEE STO

PERFORMANCE STANDARD OR OTHER POLICY	GOAL	GIO #	AS #	COMPL Y	COMPL N	EVIDENCE FOR COMPLETION OR NON-COMPLETION	COMPL Y	COMPL N	COMMENTS

62

61

Appendix #1

SAMPLE DOCUMENTATION LIST

I. Administration

Articles of Incorporation
Proposal
Budget

Recruitment

Social Service Plan
Enrollment/Intake Records

Program Planning

Community Needs Assessment
Assessment/Evaluation System
Program Option
Component Service Plans
Written Plans for total program and administration
Training Plan for staff and parents
Composition of Policy Group
Policy Group Minutes
P.I. Service Plan (include communication system)
State/Local licenses
State vehicle certification
Target Area Maps

Personnel Management

Organizational Chart
Job Descriptions
Personnel Policies and Procedures
Employee folders - including health records
Career Development Plan
Documentation of non-federal share (to include volunteers)
Training Plan for parents and for staff

Property Management

Procurement policies and procedures
Procurement records
Written inventory process

Financial Management

Accounting/financial system
Quarterly financial expenditure reports
Audits
Contracts with delegate agencies
Contracts with outside agencies

Letter of commitment for documentation of in-kind written policy for reimbursement of employee travel and other allowable expenses.

Proof that parents are given responsibility for planning and expenditure of Parent Activity Funds.

Bonds for principal officers and staff.

Insurance for student accident, liability (staff, parents, volunteers, visitors, transportation owners and drivers).

Wage Comparability Study

Leases

II. Education

Education Plan and documentation of update
Training plans for staff
Training plans for parents
Center Schedules
- Children's folders;
- Educational/Developmental Checklist
- Teacher's observations
- Teacher's home visits
- Trip and Bus permission
- Emergency procedure permission
- Enrollment form:
  - income
  - source of income
  - number of people in family
  - documentation of income
  - age
- Recruitment Visit
- Social Service visit
- Referrals and follow-up documentation
- Developmental Assessment
- Medical History
- Growth Assessment (height and weight)
- Immunication Record
- Screenings:
  - TB
  - Hearing
  - Vision
  - Urinalysis
  - Hemoglobin
  - Speech and language
- Medical Referrals
- Dental Examination
- Dental Treatment
- Physical Examination
- Handicap Verification

Parental Consent for testing:
- Cognitive
- Social/emotional
- Physical

Parent Notification of Treatment

III. Health

Health Plan (including sections on each of the following: General, Medical, Dental, Nutrition and Mental)
Staff Health Records
HPAR records
Menus and food service plan and records
Volunteer records
Records of Health Department inspections and/or licenses or other documentation of compliance with applicable local, state and federal sanitation laws and regulations for food services
Records of daily meal counts
Budget

IV. Parent Involvement

Parent Involvement Plan including communication plan
P.C. By-Laws
P.C. Composition (if not in By-Laws)
P.C. Minutes

V. Social Services

Social Service Plan including Recruitment Plan
Community Resources Directory or File
Social Service records of families

VI. Handicapped

Plan for handicapped - if a separate document
List of handicapped enrollment and documentation of professional assessment

LETTER OF UNDERSTANDING

The Letter of Understanding is an official ACYF document used to identify the grantee's compliance status. It should be sent to a grantee no later than 45 days from the date of the validation visit and be based on the findings of the validation team as highlighted in the final debriefing meeting.

The Letter of Understanding usually consists of two parts:

1. A cover letter from an appropriate ACYF official
2. A report of compliance findings.

The cover letter should be on ACYF/HHS letterhead and be signed by an appropriate ACYF official of the Region or IMPD. It should be addressed to an appropriate official of the grantee agency, usually the Executive Director. Copies of the Letter of Understanding should also be forwarded to the Grants Management Specialist, the Program Specialist, the Head Start Director and the Policy Council Chairperson.

The cover letter should:

- state the purpose of the letter and report
- thank the grantee for its cooperation with the validation team
- identify the date the validation was held and highlight the validation methods used
- reinforce the fact that full compliance with administrative (and other Head Start) requirements is necessary for continued funding and that for non-compliance issues the grantee must reach compliance within 90 days unless otherwise stated in the report
- identify the date the grantee is to respond to the Letter of Understanding
- state that the grantee's response should contain a Grantee Improvement Plan, where applicable, describing how the grantee will reach compliance (see Section VI - Grantee Improvement Plans)
- identify a contact person to whom the grantee may refer any questions.

The report of findings, which is usually attached to the cover letter, should identify the following:

- each administrative component that was validated (Program Planning and Management, Personnel Management, etc.)
- strengths of the grantee's management systems found within that administrative component
- non-compliance areas identified by the validation team (quote specific requirements and cite references to pertinent regulations)
- findings of the validation team for each non-compliance area
- required actions by the grantee to achieve compliance and the date those actions should be completed
- recommendations for how the grantee should achieve compliance.

Regions may choose to add more items, but these are the minimal requirements.

The following example demonstrates how the report of findings should be treated:

Administrative Component: Personnel Management

Component Strengths

The XYZ Head Start Program has an annual review of the personnel policies of the agency. The Policy Council is included in that review as well as in approving the hiring and firing of staff. Some special addenda have been included in the agency's personnel policies to adequately cover special grant requirements for the Head Start program. Annual staff performance ratings are performed and retained in each staff member's personnel file. Staff training and development are effective, based on identified staff needs.

Areas of Non-Compliance

"A position classification system which: (1) provides for assignment of all activities specified in program performance standards."
(45 CFR 1301.30, Administrative SAVI 2.A(1))

Taken from Head Start Administrative Regulations Guide, ACYF July 1981

--Findings

There are position descriptions on file for all Head Start employees. These descriptions do not, however, contain many areas of responsibility in the Program Performance Standards. This is prohibiting the grantee from being in full compliance with performance standards as well as the requirement for proper position descriptions. The Head Start Director's position description is especially weak.

--Required Actions

Within 90 days of the receipt of this Letter of Understanding the grantee is to revise all position descriptions to reflect Head Start Program Performance Standards with specific duties and responsibilities indicated which differentiate among levels of tasks assigned to particular staff. Also, qualification requirements must be revised to relate to new staff duties and responsibilities.

--Recommendations

The Head Start Director and the personnel committee of the Policy Council should review all position descriptions using the Program Performance Standards as a guide for revisions in outlining staff duties and responsibilities for carrying out all performance standards requirements.

The Letter of Understanding should serve as a tool to help the grantee understand its strengths, what areas of non-compliance exist and what it needs to do to reach compliance. For this reason a Letter of Understanding should be written in a clear concise manner that does not confuse the grantee but points it in the right direction for achieving compliance.

Taken From: Head Start Administrative Regulations Guide, ACYF, 1981.

GRANTEE IMPROVEMENT PLANS

Grantees should be given a particular period of time to respond to the Letter of Understanding by Regions/IMPD. This response should be in the form of a Grantee Improvement Plan of the grantee's own design unless a format is provided with the Letter of Understanding. The Grantee Improvement Plan should, at a minimum, identify:

- areas of non-compliance being corrected
- what actions are being or will be taken, and when
- who will be responsible for the actions
- what resources or assistance will be needed
- which areas cannot be corrected in 90 days, and why
- when compliance will be achieved.

For instance, in response to the sample section of the Letter of Understanding shown in the preceding chapter, an acceptable grantee response might be:

Area of Non-Compliance

Position descriptions to be rewritten to reflect Program Performance Standards (45 CFR 1301.30).

1. Policy Council's Personnel Committee will hold meeting(s) to review and revise position descriptions/ qualification requirements.

Responsibilities: Head Start Director and Chairperson will convene meeting(s) of Policy Council's Personnel Committee.

Schedule: Initial meeting to be held within 15 days (specific date stated).

2. New position descriptions will be defined in draft form, typed and reproduced for review.

Responsibilities: Director and Personnel Committee will define position descriptions and qualification requirements. Secretarial staff will type and reproduce materials for distribution.

Schedule: Draft position descriptions to be rewritten within 45 days (specific date).

3. Staff and Policy Council will review position descriptions and make comments.

Responsibilities: Director will submit copies of revised position descriptions to staff. Policy Council Chairperson will submit copies to the members of the Policy Council.

Schedule: Comments will be collected within 60 days (specific date).

4. Draft position descriptions will be revised as necessary.

Responsibilities: Director and Policy Council Personnel Committee will make final revisions, based on the comments rendered.

Schedule: Revisions will be made within 80 days (specific date).

5. Final position descriptions will be approved by the Policy Council and Board, incorporated into the personnel policies of the agency and sent to the Regional Head Start Program Specialist for review.

Responsibilities: Policy Council and Board to approve new position descriptions and qualification requirements for incorporation into agency personnel policies.

Schedule: Compliance within 90 days (specific date).

The Grantee Improvement Plan should address each non-compliance area stated in the ACYF Letter of Understanding. Those plans should be carefully reviewed by ACYF to determine if they are relevant, realistic and will achieve compliance within the required schedule. In assigning responsibility to a Head Start Director or an agency group, delegation of authority should accompany this responsibility so that whoever is made responsible for meeting compliance will have the authority to carry out this task. It is the Program Specialist's responsibility to confirm that planned improvements are accomplished as indicated. In some cases, evidence of compliance may be required by ACYF.

Taken from: Head Start Administrative Regulations Guide

GRANT APPLICATION PACKAGE

The Grant Cycle..... 61

Instructions for Applying for Federal Assistance from HDS Programs..... 64

Standard Form 424, the Grant Application..... 78

General Instructions for Part IV, Narrative..... 85

Circular A-95..... 90

The Grant Cycle

The Head Start grant process follows the same time frame outlined in the Consolidated Management System Guidance (see Consolidated Management System Timeline Chart on page 9 in chapter on Self - Assessment Process.) Determine your Program Year End date _____ (fill in date) and count back from that point. Major milestones in the grant cycle are these:

_____ (fill in date)

Letter of Funding Guidance (300 days before PYE) sent by your Program Specialist will outline several items you'll need for the grant application. Some of the specifications are:

- projected funding level (determined by ACYF)
- whether to submit a "complete" or a "continuation" application
- due date for draft budget

_____ (fill in date)

Prepare and submit draft budget to your program specialist and T/TA provider 230 days before PYE date.

_____ (fill in date)

Program Specialist conducts a review of your program either on-site or a "routine" review which is essentially a paper review and does not entail a visit to your program 210 days before PYE.

_____ (fill in date)

Letter of Understanding is sent by your program specialist 180 days before PYE. This document (letter) will identify programmatic areas needing improvement based on review findings. The program will have 90 days to achieve compliance (see Consolidated Management System (CMS) Guidance and Grantee Improvement Plan (GIP) sections of the chapter dealing with Self Assessment Process.)

_____ (fill in date)

Your grant application is submitted to your program specialist 90 days before PYE. The actual application form and instructions for preparing it follow in this chapter.

_____ (fill in date)	60 days before PYE, ACYF notifies you of your programs status: non compliance or refunding approval. The document you will receive if approved is called the Notice of Financial Assistance (NFA). If refunding is approved, your program funds will be released by the PYE date.

Contents and Instructions for the Grant Application

The Grant Application is submitted to your ACYF Program Specialist every year no later than 90 days prior to the budget period end date (PYE). ACYF will award Head Start grant funds on a four year funding cycle. This means that you will be required to submit a "full" or "complete" application every fourth year. Your Program Specialist or T/TA provider can tell you when your next complete application is due, as well as direct you on where to get the forms and how to complete the application. If you are not required to submit a complete application this year, you will prepare what is known as an application for "continuation" of the grant. Whether "complete" or "continuation", the grant application is due 90 days prior to your Program Year End date (PYE).

Complete vs. Continuation

Applications are submitted on Standard Form 424, which is the standardized government form for requests for Federal Assistance. A blank copy of SF 424 follows in this chapter. Whether complete or continuation, you must submit the following:

Part I (SF 424)

Section I, Lines 1 to 21

Section II, Lines 23a, 23b, 23c
(note: if clearinghouse review is required by your state clearinghouse with each year's grant application, also complete item 22b. See "Circular A-95, What it is and How it Works" which is included in this chapter)

Part II (Project Approval Information)

Items 1 through 10

Part III (Budget Information) *

Section A - Budget Summary

Section B - Budget Categories

Section C - Non Federal Resources

Section D - Forecasted Cash Needs

Section E - Budget Estimates

Section F - Other Budget Information

Part IV (Program Narrative)

Sections 3B, 5A, and 5B only

Part V (Assurances)

In addition, grantees submitting full or complete applications, must address all sections of Part IV. Instructions for the completion of Part IV; Children, Youth and Families - Head Start follows in this chapter. These instructions were prepared by ACYF in January 1979.

*Further instruction on Budget Preparation is detailed in the chapter entitled Financial Management.

DEPARTMENT OF HEALTH AND HUMAN SERVICES
Office of Human Development Services

OMB 0980-0016
EXPIRES: 2/82

Instructions for Applying for Federal Assistance from HDS Programs

Introduction

Use of Forms

The forms included in this "kit" shall be used to apply for all new discretionary grants and cooperative agreements awarded by the Office of Human Development Services. They shall also be used to request supplemental assistance, proposed changes or amendments, and request continuation or refunding for previously approved grants or cooperative agreements from the Office of Human Development Services. An original and two copies of the forms should be submitted to the responsible grants management office. If an item cannot be answered or does not appear to be related or relevant to the assistance required, write "NA" for not applicable.

Applications

Applicants for new awards and competing continuations are required to submit a complete application which consists of Parts I (SF-424) through Part V. Applicants for new projects must include completed Standard Forms 441, Civil Rights Assurance and HHS—641 Rehabilitation Act Assurance. Applicants for additional funding (such as a continuation or supplemental grant) or amendments to a previously submitted application should include only affected pages. Previously submitted pages whose information is still current need not be resubmitted. Additionally, applicants for certain HDS programs may be subject to the A-95 clearance process. Therefore, applicants must follow the instructions provided relative to A-95 coverage where appropriate.

Submission of Applications

(1) Continuation Grants—Applicants for continuation grants must submit these forms not later than 90 days prior to the budget period end date.

(2) New Projects and Competing Continuations—Applicants for Assistance to support new projects or for competing extensions should refer to program announcements for information regarding deadline dates for submission of forms.

Instructions for Completion of Part I (SF-424)

Section I

Applicants shall complete all items in Section I. If an item is not applicable, write "NA". If additional space is needed, insert an asterisk (*) and use the remarks section.

Item

1. Mark "Application" when used as a grant application.—(The applicant, unless otherwise advised by the State and area-wide clearinghouse shall use the SF-424 as a notification of intent to apply for Federal Assistance in accordance with procedures established by these clearinghouses and OMB Circular A-95. When used for this purpose, mark "Notification of Intent".

2a. Applicant's own control number, if desired.

2b. Date Section I is prepared.

3a. For program covered by OMB Circular A-95, enter the the number assigned by State clearinghouses or, if delegated by State, by areawide clearinghouse. Applications submitted to HDS must contain this identifier if provided by the applicable State/areawide clearinghouse. If in doubt, consult your clearinghouse.

3b. Date applicant notified of clearinghouse identifier.

4a.-4h. Enter legal name of applicant/recipient, name of primary organizational unit which will undertake the assistance activity, complete address of applicant, name and telephone number of person who can provide further information about this request.

IF THE PAYEE WILL BE OTHER THAN THE APPLICANT, ENTER IN THE REMARKS SECTION "PAYEE". THE PAYEE'S NAME, DEPARTMENT OR DIVISION. COMPLETE ADDRESS AND EMPLOYER IDENTIFICATION NUMBER DHHS ENTITY N U M B E R .

If an individual's name and/or title is desired on the payment instrument, the name/or title of the designated individual must be specified.

5. Enter employer identification number of applicant as assigned by Internal Revenue Service. If the applicant organization has been assigned a DHHS entity number consisting of the IRS employer identification number prefixed by "1" and suffixed by a two-digit number, enter the full entity number. If applicant has other grants with DHHS and has been assigned a payee identification number, enter PIN in parenthesis () beside employer identification number.

6a. Enter the Catalog of Federal Domestic Assistance number assigned to program under which assistance is requested. If more than one person (e.g., joint funding) enter "multiple" and explain in remarks. If unknown, cite Public Law or U.S. Code.

6b. Enter the program title from Catalog of Federal Domestic Assistance. Abbreviate if necessary.

7. Enter a title and appropriate description of project. For notification of intent, continue in Remarks Section if necessary to convey proper description.

8. Enter appropriate letter to designate grantee type—"City" includes town, township or other municipality. If the grantee is other than that listed, specify type on "Other" line e.g., Council of Government. *Note:* Nonprofit organizations which have not previously received HDS program support must submit proof of nonprofit status.

9. All applicants for HDS discretionary grant funds should enter the letter "A".

10. Enter Governmental unit where significant and meaningful impact could be observed. List only largest unit or units affected, such as State, county, or city. If entire unit affected, list it rather than subunits.

11. Identify estimated number of persons *directly* benefiting from project, as described in the program narrative.

12. Enter appropriate letter. Definitions are:

a. New. A submittal for the first time for a new project or project period (includes competing continuations).

b. Renewal. Not applicable to HDS grant programs.

c. Revision. A modification to project after the initial funding/budget period and within the approved project period.

d. Continuation. Support for a project after the initial funding/budget period and within the approved project period.

e. Augumentation. (Referred to elsewhere in these instructions and in other HDS publications as a "supplement"). An application for additional funds for a period previously awarded funds in the same funding/budget period.

13. Enter amount requested or to be contributed during the intial funding/budget period by each contributor. Where allowable the value of in-kind contributions will be included. If the action is a change in dollar amount of existing grant (a revision or augumentation), indicate only the amount of change. For decreases, enclose the amount in paretheses. For multiple program funding use totals and show program breakdowns in remarks. Item definitions: 13a, amount requested from Federal Government; 13b, amount applicant will contribute; 13c, amount from State, if applicant is not a State; 13d, amount from local government, if applicant is not a local government; 13e, amount from any other sources, explain in remarks. Note: Applicants for research grant should complete 13a and 13f only.

14a. Self explanatory.

14b. Enter the district(s) where most of actual work will be accomplished. If city-wide or State-wide covering several districts, write "City-wide" or "State-wide".

15. Complete only for revisions (item 12c), or augumentations (Supplements) (Item 12e).

16. Enter approximate date project is expected to begin. If initial budget period is other than 12 months, check item 21 and explain in Part IV.

17. Enter estimated number of months to complete project after Federal funds are available.

18. Estimated date application will be submitted to Federal agency (HDS program office) if this project requires clearinghouse review. If review is not required, this date would usually be same as date in item 2b.

19. Enter existing Federal grant number if this is not a new request and directly relates to a previous Federal action. Otherwise write "NA".

20. Indicate Federal agency to which this request is addressed. Street address not required, but do use ZIP.

21. Check appropriate box as to whether Section IV of form contains remarks and/or additional remarks are attached.

Section II

Applicants shall always complete items 23a, 23b, and 23c. If clearinghouse review is required, item 22b must be fully completed. An explanation follows for each item.

22b. List clearinghouses to which submitted and show in appropriate blocks the status of their responses. For more than three clearinghouses, continue in remarks section. All written comments submitted by or through clearinghouse must be attached. Applicants are advised of the delay of funding near end of fiscal year, if a timely clearinghouse response is not received.

23a. Name and title of authorized representative of legal applicant.

23b. Self explanatory. *Note:* Authorized representative signature cannot be signed by designee.

23c. Self explanatory.

Note: APPLICANT COMPLETES ONLY SECTIONS I AND II. SECTION III IS COMPLETED BY FEDERAL AGENCIES.

78

Instructions for Completion of Part II

Negative answers will not require an explanation unless the responsible HDS program office requests more information at a later date. All "Yes" answers must be explained on a separate page in accordance with these instructions.

Item 1—Provide the name of the governing body establishing the priority system and the priority rating assigned to this project. If the priority rating is not available, give the approximate date that it will be obtained.

Item 2—Provide the name of the agency or board which issued the clearance and attach the documentation of status or approval. If the clearance is not available, give the approximate date that it will be obtained.

Item 3—Attach the clearinghouse comments for the application in accordance with the instructions contained in the Office of Management and Budget Circular A-95 (See list of covered programs).

Item 4—Furnish the name of the approving agency and the approval date. If the approval has not been received, state approximately when it wil be obtained.

Item 5—Show whether the approved comprehensive plan is State, local or regional; or, if none of these, explain the scope of the plan. Give the location where the approved plan is available for examination, and state whether this project is in conformance with the plan. If the plan is not available, explain why.

Item 6—Show the population residing or working on the Federal installation who will benefit from this project. (Federally recognized Indian reservations are not "Federal Installations").

Item 7—Show the percentage of the project work that will be conducted on Federally-owned land or leased land. Give the name of the Federal installation and its location.

Item 8—Briefly describe the possible beneficial and/or harmful effect on the environment because of the proposed project. If an adverse environmental effect is anticipated, explain what action will be taken to minimize it.

Item 9—State the number of individuals, families, businesses, or farms this project will displace. Federal agencies will provide separate instructions, if additional data is needed.

Item 10—Show the Catalog of Federal Domestic Assistance number, the program number, the type of assistance, the status, the amount of each project where there is related previous, pending or anticipated assistance from another funding source.

Instructions for Completion of Part III

This form is designed so that application can be made for funds to support one or more functions or activities. Generally, HDS funded programs do not require a breakdown by function or activity. Therefore, only Line 1 need be completed. However, Head Start, funded by the Administration for Children, Youth and Families requires that activities commonly identified by program accounts be displayed separately on individual lines (Lines 1-4 under Section A and Columns 1-4 under Section B).

Since HDS programs award funds to support activities for budget periods which are generally 12 months in duration, Section A, B, C, and D must provide budget information for the requested budget period. Section E should present the need for Federal assistance in subsequent budget periods.

Applicants for research grants are not required to complete information items related to non-Federal share. Rather, research cost sharing shall be negotiated separately with the funding office.

Section A—Budget Summary
Lines 1-4

Col. (a): For applications pertaining to a single grant program and *not* requiring a functional, activity or program account breakout enter on Line 1 under Column (a) the Federal Domestic assistance Catalog program title (See attached listing). For "Head Start", enter the activities (program accounts) name and number for which funds are being requested on separate lines.

Col. (b): Enter appropriate Catalog of Federal Domestic Assistance number. For "Head Start", enter the activities (program accounts) name and number for which funds are being requested on separate lines.

Col. (c)-(g): For *new applications,* leave Columns (c) and (d) blank. For each line entry, enter in Columns (e), (f), and (g) the appropriate amounts needed to support the project for the first budget period. Applicants for research grant should make no entries in Column (f).

For *continuation applications,* or *competing continuations,* enter in Columns (c) and (d) the estimated amounts for funds which will remain unobligated at the end of the current budget period. Enter in columns (e), (f), and (g) the appropriate amounts needed to support the project for the new budget period. (Applicants for research grants should make no entries in Columns (d) or (f). Column (g) should equal the total of Column (e) and Column (f).

For *augumentation* (supplements) *and changes to existing grants,* leave Columns (c) and (d) blank and enter in Columns (e) and (f) the amount of increase or decrease of Federal and non-Federal funds, as appropriate. Enter in Column (g) the new total budgeted amount (Federal and non-Federal) which includes the previously authorized total budgeted amounts for the current budget period plus or minus, as appropriate, the amounts shown in Columns (e) and (f). The amount(s) in Columns (g) should not equal the sum of the amounts in Columns (e) and (f). Applicants for research grants should make no entries in columns (d) or (f).

Line 5

Enter the totals for all columns completed.

Section B - Budget Categories

Column 1-5

In the Column heading (1) through (4), enter the same titles of the grant programs and/or program accounts shown on Lines 1 through 4, Column (a), Section A. For each grant program or activity (program account) entered in Columns (1) through (4) enter the total requirements for *Federal funds* by object class categories and enter total in Column 5.

Allowability of costs are governed by applicable cost principles set forth in Subpart Q of 45 CFR Part 74 and the HDS Grants Administration Manual.

Personnel—Line 6a: Enter the total costs of salaries and wages of applicant/grantee staff. Do not include costs of consultants or personnel costs of delegate agencies. (See Section F, Line 21, for additional requirements).

Fringe Benefits—Line 6b: Enter the total costs of fringe benefits unless treated as part of an approved indirect cost rate. Provide a break-down of amounts and percentages that comprise fringe benefit costs.

Travel—Line 6c: Enter total costs of out-of-town travel for employees of the project. Do not enter costs for consultant's travel or local transportation. Provide justification for requested travel costs. (See Line 6h and Section F, Line 21, for additional instructions).

Equipment—Line 6d: Enter the total costs of all non-expendable personal property to be acquired by the project. "Non-expendable personal property" means tangible personal property having a useful life of more than two years and an acquisition cost of $500 or more per unit. An applicant may use its own definition of non-expendable personal property, provided that such a definition would at least include all tangible personal property as defined in the preceeding sentence. (See Section F, Line 21 for additional requirements).

Supplies—Line 6e: Enter the total costs of all tangible personal property (supplies) other than that included on line 6d.

Contractual—Line 6f: Enter the total costs of all contracts, including (1) procurement contracts (except those which belong on other lines such as equipment, supplies, etc.), and, (2) contracts with secondary recipient organizations including delegate agencies. Also include any contracts with organizations for the provision of technical assistance. Do not include payments to individuals on this line. Attach a list of contractors indicating the name of the organization, the purpose of the contract and the estimated dollar amount of the award. If the Name of Contractor, Scope of work and estimated total is not available or has not been negotiated, include in Line h, "Other". (Note: Whenever the applicant/grantee intends to delegate part or all of the program to another agency, the applicant/grantee must submit sections A and B of Part III, Budget Section, completed for each delegate agency by agency title, along with the required supporting information referenced in the applicable instructions. The total cost of all such agencies will be part of the amount shown on Line 6(f). Provide back-up documentation identifying Name of contractor, purpose of contract and major cost elements.

Construction—Line 6g: Enter the costs of renovation or repair. Provide narrative justification and break-down or costs. New construction is unallowable.

Other—Line 6h: Enter the total of all other costs. Such cost, where applicable, may include, but are not limited to, insurance, food, medical and dental costs, (noncontractual), fees and travel paid directly to individual consultants, local transportation (all travel which does not require per diem is considered local travel), space and equipment rentals, printing and publication, computer use, training costs including tuition and stipends, training service costs including wage payments to individuals and supportive service payments, and staff development costs.

Total Direct Charges—Line 6i: Show the totals of Lines 6(a) through 6(h).

Indirect Charges—Line 6j: Enter the total amount of indirect costs. If no indirect costs are requested enter "none". This line should be used only when the applicant (except local governments) has an indirect cost rate approved by the Department of Health and Human Services. If rate has recently been approved, please enclose a copy of current rate. Local governments shall enter the amount of indirect costs determined in accordance with HHS requirements. In the case of training grants to other than State or local governments, (as defined in 45 CFR Part 74), the reimbursement of indirect costs will be limited to the lesser of actual indirect costs or 8 percent of the amount allowed for direct costs exclusive of any equipment charges, rental of space, tuition and fees, post-doctoral training allowances, contractual items, and alteration and renovations. It should be noted that when an indirect cost rate is requested, these costs included in the indirect cost pool should not be also charged as direct costs to the grant.

Total—Line 6k: Enter the total amounts of Lines 6(i) and 6(j). For all new, continuation, and competing extension applications and total amount shown in Column (5), Line 6(k), should be the same as the amount shown in Section A, Column (e), Line 5.

For all supplements or changes, the total of the amount shown in Columns (1) through (4) should equal the amount shown in Section A, Line 5(e). The amount shown in Column (5) should include the cumulative total of the previously approved Federal share for the current budget period plus or minus, as appropriate, the increase or decrease of Federal funds.

Program Income—Line 7: Enter the estimated amount of income, if any, expected to be generated from this project. Do not add or subtract this amount from the total project amount. Show, in the program narrative statement, the nature and source of income.

Section C—Non-Federal Resources

Line 8-11: Enter amounts of non-Federal resources that will be used to support the project. (Applicants for research grants should not complete this Section but will negotiate appropriate cost sharing arrangements with the funding office). Provide a brief explanation, on a separate sheet, showing the type of contribution, and whether it is in cash or inkind. If inkind, is allowable and included, show the basis for computation including:

(1) Numbers and types of volunteers and rates at which their services are valued;

(2) Valuation of donated space (use only) including number of square feet and value assigned per square foot; and

(3) Determination of depreciation and use allowance for grantee-owned space; [Include statement whether space was purchased or constructed, totally or in part with federal funds for item (2) and (3)].

(4) Type and value of other inkind contributions expected.

Column (a): Enter the program title or activities (program accounts) as in Column (a) Section A.

Column (b): enter the amount of cash and inkind contributions to be made by the applicant.

Column (c): Enter the State contribution. If the applicant is a State agency, enter the non-Federal funds to be contributed by the State other than the applicant State agency.

Column (d): Enter the amount of cash and inkind contributions to be made from all other sources.

Column (e): Enter the totals of Columns (b), (c), and (d).

Line 12—Enter total of each of Columns (b) through (e). The amount in Column (e) should be equal to the amount on Line 5, Column (f), Section A.

Section D—Forecasted Cash Needs

Line 13—Enter the amount of Federal cash needed for this grant, by quarter, during the budget period.

Line 14—Enter the amount of cash from all other sources needed by quarter during the budget period. (Applicants for research grants should not complete this line).

Line 15—Enter the totals of amounts on Lines 13 and 14.

Section E—Budget Estimates of Federal Funds Needed for Balance of Projects

Line 16-19—Enter in Column (a) the same program title or activities (program accounts) as in Column (a) Section A. For new or competing extension applications and continuation grant applications enter in the proper columns amounts of Federal funds which will be needed to complete the program or project over the succeeding budget periods (usually in years). Do not enter current year budget amount; enter second, third, fourth, and fifth year budget estimate needs. This Section need not be completed for Headstart and ANA applicants with indefinte project periods or for revisions or supplements for the current budget period which do not increase the general level of support,

Line 20—Enter the totals for each of the Columns (b) through (e).

Section F—Other Budget Information

Line 21—Use this space to fully explain and justify the major items included in the budget categories shown in Section B. Include sufficient detail to facilitate determination of allowability, relevance to the project, and cost benefits. Particular attention must be given to the explanation of any requested direct cost budget item which requires explicit approval by the HDS program office. Budget items which require identification and justification shall include, but not be limited to, the following:

1. Salary amounts and percentage of time worked for those key individuals who are identified in the project narrative;

2. Any foreign travel;

3. A list of all equipment and estimated cost of each item to be purchased wholly or in part with grant funds which meet the definition of nonexpendable personal Property provided on Line 6d, Section B. Need for equipment must be supported in program narrative.

4. Contractual: Major items or groups of smaller items; and

5. Other: group and major categories, e.g., consultants, local transportation, space rental, training allowances, staff training, computer equipment, etc. Provide a complete break-down of all costs that make up this category.

Line 22—Enter the type of indirect rate (provisional, pre-determined, final or fixed) that will be in effect during the funding period, the estimated amount of the base to which the rate is applied and the total indirect expense. Also, enter the date HDS approved the rate, where applicable. Attach a copy of rate agreement if recently approved.

Line 23—Provide any other explanations required or deemed necessary.

OFFICE OF HUMAN DEVELOPMENT SERVICES
Catalog of Federal Domestic Assistance Number and A-95 Coverage

Applicants for HDS grants shall comply with the provisions of OMB Circular A-95. The following table provides a listing of all HDS discretionary grant programs identified by Catalog of Federal Domestic Assistance Number, and shows those activities which must comply with the provisions of OMB Circular A-95 and those which are exempt from coverage:

Catalog of Federal Domestic Assistance Number	Program or Activities Covered by OMB Circular A-95	Programs or Activities Not Covered by OMB Circular A-95
13.600	ACYF-Head Start	ACYF—Head Start—Program Administered by Federally Recognized Indian Tribes
13.608	Child Welfare Demonstration	Child Welfare Research
13.612	Native American Programs Grants to Support Urban Indian Programs	Native American Programs—Programs Administered by Indian Tribes
13.623	Runaway Youth Projects	
13.628	ACYF/NCCAN Child Abuse and Neglect Prevention and Treatment	
13.631	Developmental Disabilities—Special Projects	
13.632	Developmental Disabilities—University Affiliated Facilities	
13.634	Aging—Special Programs Title IV-C	
13.636		Programs for Aging Research and Development Title IV-B

Catalog of Federal Domestic Assistance Number	Program or Activities Covered by OMB Circular A-95	Programs or Activities Not Covered by OMB Circular A-95
13.637	Programs for the Aging Training Grants to States Title IV-A	Programs for the Aging Training Grants to Institutions of Higher Education and Training Organizations
13.638	Special Programs for the Aging—Multidisciplinary Centers of Gerontology Title IV-E	
13.640		ACYF—Youth Research, Development and Demonstration
13.647		1110/1115—Office of Policy Development Cooperative Research and Demonstration
13.648		Child Welfare Training Grants
13.652	ACYF-Adoption Opportunities	
13.655		Special Programs for the Aging-Title VI—Grants to Indian Tribes for Social and Nutrition Services
23.013	ACYF, Appalachia Region	

Procedures for Programs Covered by OMB Circular A-95

1. General

Applicants subject to A-95 review must adhere to the Project Notification and Review System established by Part I of Attachment A to OMB Circular A-95. The purpose of the system is to facilitate coordination of State, areawide, and local planning and development through the establishment and use of a network of State and areawide clearinghouses.

2. New Projects and Competing Continuations

The project notification and review system requires applicants for grants that support projects which have not previously received support, and applicants for competing extentions, to coordinate their plans at the local level through the State and areawide clearinghouse. Names and addresses of clearinghousses are available from the appropriate grants management office from which these application forms are obtained. Potential grant applicants must notify both the State and areawide clearinghouse at the earliest feasible time of their intent to apply for Federal assistance. If the application is for a statewide project which does not affect areawide or local planning and programs, the notification need be sent only to the State clearinghouse. Many clearinghouses have their own notification forms and instructions, and applicants should obtain this material directly from them. If the clearinghouses have no prescribed form, applicants should provide, at a minimum, the following information:

a. Name, Address & Telephone numbers of applicant organizations;

b. Location of the Project to be administered; and

c. Brief description of the project, including:

   (1) Purpose;

   (2) Cost;

   (3) Beneficiaries;

   (4) Impact on the environment;

   (5) Federal program under which assistance will be sought;

   (6) Anticipated date of application submission; and

   (7) Name of contact person

Clearinghouses have thirty (30) days in which to comment on plans and resolve problems with the applicant and have an additional thirty (30) days to comment on completed grant applications. Grant applications must include with the application submitted to the granting office:

a. Any comments made by or through the clearinghouses, with a statement that such comments have been considered, or

b. A statement that no comments have been received.

In cases where the application must be submitted prior to the receipt of a clearinghouse response in order to meet the deadline date indicated in the Program Annoucement, the comments or statement described above must be submitted as soon as possible. HDS will not award a grant without assurance of compliance with the Project Notification and Review System.

3. Non-Competing Continuations

Generally, applications for non-competing continuations are not subject to the full notification and review requirements. If the project has been submitted to the clearinghouse for review initially, or at some time during the project period, and there are no substantive changes in the continuation request, subsequest clearinghouse review is not required unless the clearinghouse requests re-reviews. Substantative changes in the application which will require full clearinghouse review, irrespective of such a request by the clearinghouse, include activities which alter the direction, nature, scope, location or scale of the project or activity being supported, or which might involve changes in the beneficiary population or target group being served. This does not include purely administrative changes: accounting, auditing, personnel, contracting, etc. that deal with project management.

• U. S. GOVERNMENT PRINTING OFFICE : 1981 720-019/4532

OMB Approval No. 29-R0218

FEDERAL ASSISTANCE

SECTION I—APPLICANT/RECIPIENT DATA

1. TYPE OF ACTION (Mark appropriate box) ☐ PREAPPLICATION ☐ APPLICATION ☐ NOTIFICATION OF INTENT (Opt.) ☐ REPORT OF FEDERAL ACTION	2. APPLICANT'S APPLICATION	a. NUMBER b. DATE Year month day 19	3. STATE APPLICATION IDENTIFIER	a. NUMBER b. DATE ASSIGNED Year month day 19
Leave Blank				

4. LEGAL APPLICANT/RECIPIENT

a. Applicant Name :
b. Organization Unit :
c. Street/P.O. Box :
d. City : e. County :
f. State : g. ZIP Code:
h. Contact Person (Name & telephone No.), :

5. FEDERAL EMPLOYER IDENTIFICATION NO.

6. PROGRAM (From Federal Catalog)
a. NUMBER
b. TITLE

7. TITLE AND DESCRIPTION OF APPLICANT'S PROJECT

8. TYPE OF APPLICANT/RECIPIENT
A–State; B–Interstate; C–Substate District; D–County; E–City; F–School District; G–Special Purpose District; H–Community Action Agency; I–Higher Educational Institution; J–Indian Tribe; K–Other (Specify):
Enter appropriate letter ☐

9. TYPE OF ASSISTANCE
A–Basic Grant; B–Supplemental Grant; C–Loan; D–Insurance; E–Other
Enter appropriate letter(s) ☐☐

10. AREA OF PROJECT IMPACT (Names of cities, counties, States, etc.)

11. ESTIMATED NUMBER OF PERSONS BENEFITING

12. TYPE OF APPLICATION
A–New; B–Renewal; C–Revision; D–Continuation; E–Augmentation
Enter appropriate letter ☐

13. PROPOSED FUNDING

a. FEDERAL	$	.00
b. APPLICANT		.00
c. STATE		.00
d. LOCAL		.00
e. OTHER		.00
f. TOTAL	$	.00

14. CONGRESSIONAL DISTRICTS OF:
a. APPLICANT
b. PROJECT

15. TYPE OF CHANGE (For 12c or 12e)
A–Increase Dollars; B–Decrease Dollars; C–Increase Duration; D–Decrease Duration; E–Cancellation; F–Other (Specify):
Enter appropriate letter(s) ☐☐☐

16. PROJECT START DATE Year month day 19

17. PROJECT DURATION Months

18. ESTIMATED DATE TO BE SUBMITTED TO FEDERAL AGENCY ▶ Year month day 19

19. EXISTING FEDERAL IDENTIFICATION NUMBER

20. FEDERAL AGENCY TO RECEIVE REQUEST (Name, City, State, ZIP code)

21. REMARKS ADDED ☐ Yes ☐ No

SECTION II—CERTIFICATION

22. THE APPLICANT CERTIFIES THAT ▶
a. To the best of my knowledge and belief, data in this preapplication/application are true and correct, the document has been duly authorized by the governing body of the applicant and the applicant will comply with the attached assurances if the assistance is approved.

b. If required by OMB Circular A-95 this application was submitted, pursuant to instructions therein, to appropriate clearinghouses and all responses are attached:

	No response	Response attached
(1)	☐	☐
(2)	☐	☐
(3)	☐	☐

23. CERTIFYING REPRESENTATIVE
a. TYPED NAME AND TITLE
b. SIGNATURE
c. DATE SIGNED Year month day 19

SECTION III—FEDERAL AGENCY ACTION

24. AGENCY NAME

25. APPLICATION RECEIVED Year month day 19

26. ORGANIZATIONAL UNIT

27. ADMINISTRATIVE OFFICE

28. FEDERAL APPLICATION IDENTIFICATION

29. ADDRESS

30. FEDERAL GRANT IDENTIFICATION

31. ACTION TAKEN
☐ a. AWARDED
☐ b. REJECTED
☐ c. RETURNED FOR AMENDMENT
☐ d. DEFERRED
☐ e. WITHDRAWN

32. FUNDING

a. FEDERAL	$	.00
b. APPLICANT		.00
c. STATE		.00
d. LOCAL		.00
e. OTHER		.00
f. TOTAL	$	.00

33. ACTION DATE ▶ Year month day 19

34. STARTING DATE Year month day 19

35. CONTACT FOR ADDITIONAL INFORMATION (Name and telephone number)

36. ENDING DATE Year month day 19

37. REMARKS ADDED ☐ Yes ☐ No

38. FEDERAL AGENCY A-95 ACTION
a. In taking above action, any comments received from clearinghouses were considered. If agency response is due under provisions of Part 1, OMB Circular A-95, it has been or is being made.

b. FEDERAL AGENCY A-95 OFFICIAL (Name and telephone no.)

STANDARD FORM 424 PAGE 1 (10-75)
Prescribed by GSA, Federal Management Circular 74-7

SECTION IV–REMARKS *(Please reference the proper item number from Sections I, II or III, if applicable)*

PART II

OMB NO. 80-R0 185

PROJECT APPROVAL INFORMATION

Item 1.
Does this assistance request require State, local, regional, or other priority rating?

_____ Yes _____ No

Name of Governing Body _____
Priority Rating _____

Item 2.
Does this assistance request require State, or local advisory, educational or health clearances?

_____ Yes _____ No

Name of Agency or Board _____
(Attach Documentation)

Item 3.
Does this assistance request require clearinghouse review in accordance with OMB Circular A-95?

_____ Yes _____ No

(Attach Comments)

Item 4.
Does this assistance request require State, local, regional or other planning approval?

_____ Yes _____ No

Name of Approving Agency _____
Date _____

Item 5.
Is the proposed project covered by an approved comprehensive plan?

_____ Yes _____ No

Check one: State ☐
Local ☐
Regional ☐
Location of Plan _____

Item 6.
Will the assistance requested serve a Federal installation?

_____ Yes _____ No

Name of Federal Installation _____
Federal Population benefiting from Project _____

Item 7.
Will the assistance requested be on Federal land or installation?

_____ Yes _____ No

Name of Federal Installation _____
Location of Federal Land _____
Percent of Project _____

Item 8.
Will the assistance requested have an impact or effect on the environment?

_____ Yes _____ No

See instructions for additional information to be provided.

Item 9.
Will the assistance requested cause the displacement of individuals, families, businesses, or farms?

_____ Yes _____ No

Number of:
Individuals _____
Families _____
Businesses _____
Farms _____

Item 10.
Is there other related assistance on this project previous, pending, or anticipated?

_____ Yes _____ No

See instructions for additional information to be provided.

OMB NO. 80-R0180

PART III – BUDGET INFORMATION

SECTION A – BUDGET SUMMARY

Grant Program, Function or Activity (a)	Federal Catalog No. (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1.		$	$	$	$	$
2.						
3.						
4.						
5. TOTALS		$	$	$	$	$

SECTION B – BUDGET CATEGORIES

6. Object Class Categories	Grant Program, Function or Activity				Total
	(1)	(2)	(3)	(4)	(5)
a. Personnel	$	$	$	$	$
b. Fringe Benefits					
c. Travel					
d. Equipment					
e. Supplies					
f. Contractual					
g. Construction					
h. Other					
i. Total Direct Charges					
j. Indirect Charges					
k. TOTALS	$	$	$	$	$
l. Program Income	$	$	$	$	$

OMB NO. 80-R0180

SECTION C - NON-FEDERAL RESOURCES

(a) Grant Program	(b) APPLICANT	(c) STATE	(d) OTHER SOURCES	(e) TOTALS
8.	$	$	$	$
9.				
10.				
11.				
12. TOTALS	$	$	$	$

SECTION D - FORECASTED CASH NEEDS

	Total for 1st Year	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
13. Federal	$	$	$	$	$
14. Non-Federal					
15. TOTAL	$	$	$	$	$

SECTION E - BUDGET ESTIMATES OF FEDERAL FUNDS NEEDED FOR BALANCE OF THE PROJECT

(a) Grant Program	FUTURE FUNDING PERIODS (YEARS)			
	(b) FIRST	(c) SECOND	(d) THIRD	(e) FOURTH
16.	$	$	$	$
17.				
18.				
19.				
20. TOTALS	$	$	$	$

SECTION F - OTHER BUDGET INFORMATION

(Attach additional Sheets If Necessary)

21. Direct Charges:

22. Indirect Charges:

23. Remarks:

PART IV PROGRAM NARRATIVE (Attach per instruction)

PART V

ASSURANCES

The Applicant hereby assures and certifies that he will comply with the regulations, policies, guidelines and requirements, including OMB Circulars No. A—95, A—102 and FMC 74—4, as they relate to the application, acceptance and use of Federal funds for this federally-assisted project. Also the Applicant assures and certifies to the grant that:

1. It possesses legal authority to apply for the grant; that a resolution, motion or similar action has been duly adopted or passed as an official act of the applicant's governing body, authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.

2. It will comply with Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and in accordance with Title VI of that Act, no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the applicant receives Federal financial assistance and will immediately take any measures necessary to effectuate this agreement.

3. It will comply with Title VI of the Civil Rights Act of 1964 (42 USC 2000d) prohibiting employment discrimination where (1) the primary purpose of a grant is to provide employment or (2) discriminatory employment practices will result in unequal treatment of persons who are or should be benefiting from the grant-aided activity.

4. It will comply with requirements of the provisions of the Uniform Relocation Assistance and Real Property Acquisitions Act of 1970 (P.L. 91-646) which provides for fair and equitable treatment of persons displaced as a result of Federal and federally assisted programs.

5. It will comply with the provisions of the Hatch Act which limit the political activity of employees.

6. It will comply with the minimum wage and maximum hours provisions of the Federal Fair Labor Standards Act, as they apply to hospital and educational institution employees of State and local governments.

7. It will establish safeguards to prohibit employees from using their positions for a purpose that is or gives the appearance of being motivated by a desire for private gain for themselves or others, particularly those with whom they have family, business, or other ties.

8. It will give the sponsoring agency or the Comptroller General through any authorized representative the access to and the right to examine all records, books, papers, or documents related to the grant.

9. It will comply with all requirements imposed by the Federal sponsoring agency concerning special requirements of law, program requirements, and other administrative requirements.

10. It will insure that the facilities under its ownership, lease or supervision which shall be utilized in the accomplishment of the project are not listd on the Environmental Protection Agency's (EPA) list of Violating Facilities and that it will notify the Federal grantor agency of the receipt of any communication from the Director of the EPA Office of Federal Activities indicating that a facility to be used in the project is under consideration for listing by the EPA.

The phrase "Federal financial assistance" includes any form of loan, grant, guaranty, insurance payment, rebate, subsidy, disaster assistance loan or grant, or any other form of direct or indirect Federal assistance.

11. It will comply with the flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973, Public Law 93-234, 87 Stat. 975, approved December 31, 1976. Section 102(a) requires, on and after March 2, 1975, the purchase of flood insurance in communities where such insurance is available as a condition for the receipt of any Federal financial assistance for construction or acquisition purposes for use in any area that has been identified by the Secretary of the Department of Housing and Urban Development as an area having special flood hazards.

12. It will assist the Federal grantor agency in its compliance with Section 106 of the National Historic Preservation Act of 1966 as amended (16 U.S.C. 470), Executive Order 11593, and the Archeological and Historic Preservation Act of 1966 (16 U.S.C. 469a-1 et seq.) by (a) consulting with the State Historic Preservation Officer on the conduct of investigations, as necessary, to identify properties listed in or eligible for inclusion in the National Register of Historic Places that are subject to adverse effects (see 36 CFR Part 800.8) by the activity, and notifying the Federal grantor agency of the existence of any such properties, and by (b) complying with all requirements established by the Federal grantor agency to avoid or mitigate adverse effects upon such properties.

*U.S. GOVERNMENT PRINTING OFFICE : 1980 O-311-184/2018

ADMINISTRATION FOR CHILDREN, YOUTH AND FAMILIES
HEAD START

Grant Application Cycle

ACYF will award Head Start grant funds on a four (4) year funding cycle i.e., after the initial grant, applicants will be required to submit a full application every fourth year. Applications for continuation awards must be submitted no later than 90 days prior to the budget period end date.

Application

The following additional information is provided to Head Start applicants to facilitate the completion of these forms:

(1) Part I requires the grantee to provide basic information about the grantee and the project. Most of the entries are self-explanatory but one needs some further explanation. Block 17 asks about the duration of the project. ACYF approves Head Start grants for indefinite periods with funding provided in annual awards. Therefore, the applicant should enter "indefinite" in this Block.

(2) Part II, Project Approval Information, requires that the grantee respond to questions concerning various types of approval by nonFederal agencies. With respect to item 4, for all applications, including revisions, documentation must be attached to the application which demonstrates approval of the Policy Council.

(3) Part III, Section D asks about the rate at which the applicant wishes to receive funds under an approved grant. Normally funds will be advanced on a monthly basis through Treasury checks or Letter of Credit. Section D requests this information on a quarterly basis.

(4) Part IV, Program Narrative, requests the applicant to describe the objectives of the program and how these objectives will be reached. ACYF is particularly interested in specific factual information and having an applicant describe measurable goals in quantitative terms. (see Instructions for Part IV completion).

Please note that Section 5 of this Part is not applicable to new applicants.

(5) Part V, Assurances, must be submitted with all applications. ACYF will not be able to process or approve a grant without this Part. No signature is required on this page as the binding signature appears on Part I.

(6) Continuation Application: A continuation application consists of Part I, Part II, Part III and Part IV (Sections 3b, 5a and 5b only), and Part V. However, every fourth year a full application must be submitted. The instructions for completing new applications should be followed, as appropriate, when sompleting a Continuation Application.

(7) Supplemental Application: Grantees seeking a supplemental grant are required to complete Parts I (SF-424), II, III and IV (%c only).

(8) With each application for funding (new, continuation, or supplemental) a written assurance must be included which states that the costs of development and administration will not exceed 15 percent of the total cost of the program including nonFederal share. Documentation must be maintained by the applicant which substantiates this assurance.

Instructions for the Completion of Part IV
Children, Youth and Families - Head Start

Prepare the program narrative in accordance with the following instructions. Grantees entering the first year of a four-year funding cycle are required to complete all sections of this instruction. Requests for continuation and changes of an approved project should respond to items 3B, 5A and B only. Requests for supplemental assistance should respond to item 5C only.

1. OBJECTIVES AND NEED FOR ASSISTANCE

   Pinpoint any relevant physical, economic, social or other community problems related to design and implementation of a Head Start program. Indicate the type and results of planning studies and community surveys that have been conducted to determine the scope of the need for comprehensive services for children of low-income families. Supporting documentation or testimonies from other concerned community organizations may be used. Demonstrate the need for assistance, stating the primary and secondary objectives of the program you intend to operate. The proposed program must be consistent with ACYF policies and with needs of the participants and the community that you plan to serve.

2. RESULTS OR BENEFITS EXPECTED

   In response to the community needs identified above, indicate the number of children and type of participants to be served and how the partucuoabts and the community will benefit from the services provided. For example, if the community needs assessment has shown there are inadequate programs for preschool handicapped children, then in what ways will your proposed program fulfill these needs? All proposed programs must be consistent with Head Start goals and the required performance standards for local Head Start programs.

3. APPROACH

   A. In accordance with applicable performance standards and ACYF policies, outline a plan of action pertaining to the scope and detail of how the proposed work will be accomplished for each program account and option provided for in the budget. Cite factors which might accelerate or decelerate the work and your reason for proposing this option as opposed to others. Describe any unusual features of the project such

as social or educational innovations, reductions in costs, and parent and community participation.

B. Provide for each program Account and option the following information about the proposed program:

(1) Number of children to be enrolled.

(2) Number of handicapped children to be enrolled.

(3) Number of children for whom fees will be charged.

(4) Number of families above and below the poverty income level whose children will be enrolled.

(5) Number of hours per week of operation.

(6) Number of weeks per year that the program will operate.

(7) Number of teachers.

(8) Number of paid teacher aides.

(9) Number of classes or homes (in outreach programs).

In addition, provide quantitative projections of accomplishments to be achieved for each program account, option and component. Minimum program components to be addressed are Education, Parent Involvement, Social Services, Health Services (Medical, Nutrition, Dental, and Mental Health), Career Development and Recruitment.

When accomplishments cannot be quantified by program account, option and component, list them chronologically to show the schedule of accomplishment and their target dates. These projected accomplishments will be reported in quarterly program progress and statistical reports.

C. Describe the needs assessment, screening and diagnostic procedures to be used in assessing the individual needs of the program participants and how these needs will be met in an individualized program.

D. List resources (e.g., Medicaid, Nutrution programs, volunteers, organizations concerned with handicapped children) that will be mobilized to assist your project. Include a short description and cost estimate of the nature of their effort or contribution.

4. GEOGRAPHIC LOCATION

Attach a map showing neighborhoods, communities, counties or other specific areas from which children will be recruited. Specify racial ethnic composition of the target areas, indicating the percentage of the population that is black, Spanish speaking, American Indian, Oriental, or other. Indicate the location of the grantee, delegate agencies and all centers.

5. IF APPLICABLE, PROVIDE THE FOLLOWING INFORMATION:

A. Indicate the progress that has been made in meeting the stated program objectives and goals including the Head Start Performance Standards or other identified program deficiencies (e.g. audit).

Discuss accomplishments to date and list in chronological order a schedule of accomplishments for children and their families, progress or milestones anticipated with the new funding request. If there have been significant changes in the project objectives, location, approach, or time delays, explain and justify. For other requests for changes or amendments, explain the reason for the change(s). If the scope or objectives have changed or an extension of time is necessary explain the circumstances and justify. If individual budget items have changed more than the prescribed limits, explain and justify the change and its effect on the project. These limits may be found in the Head Start Grant Policy Statement.

B. If this is an application for continued support, include the results of an updated community needs assessment and specify any proposed program changes that will be undertaken in accordance with the Head Start Performance Standards and Program Options, to meet the identified needs.

C. For supplemental assistance requests, explain the reason for the request and justify the need for additional funding.

D. Department of Health, Education, and Welfare policy requires that if any phase of this project will involve subjecting individuals to the risk of physical, psychological, sociological, or other harm, certain safeguards must be instituted and an assurance must be filed. If there is any question about application of requirements for protection of human subjects to this project, further information should be requested from the Division of Research Grants, National Institutes of Health, DHEW, 9000 Rockville Pike, Bethesda, Maryland 20014.

★U.S. GOVERNMENT PRINTING OFFICE: 1979—281-265:8001

SUMMARY OF THE A - 95 PROCESS

OMB Circular No. A-95 is fundamentally an effort to create a climate where intergovernmental cooperation can take root and flourish. It does this by creating opportunities for contacts and communication within and among the several levels of government. This contact and communication is a necessary precondition for coordination.

In order to take full advantage of those opportunities, it is important that the various actors think of the requirements as opportunities, rather than as administrative obstacles:

> The applicant should recognize the opportunity to develop a better project through avoidance of conflict and the discovery of means for getting the most value for its investment.
>
> The Federal agency should recognize the opportunity for increasing program effectiveness through the same means and through applicant awareness of the need for sound planning and coordination.
>
> The clearinghouses should recognize the opportunities for providing real service to applicants and Federal agencies, which will enhance clearinghouse credibility and status as a constructive force in the area or in the management of the State government.

In sum, the regulations promulgated under Office of Management and Budget Circular No. A-95 are aimed at promoting more effective coordination of planning and development activities carried on or assisted by the Federal Government. The major device of A-95 is encouragement of systematic communications between the Federal Government and State and local governments in carrying out related planning and development activities. Used judiciously by State and local governments and regional bodies, the processes set forth in A-95 can result in more expeditious, more effective, and more economical development of physical, economic, and human resources.

EXHIBIT 1

PROJECT NOTIFICATION AND REVIEW SYSTEM

The following outlines the process of the "Project Notification System" developed to implement, in part, Title IV of the Intergovermental Cooperation Act.

Step 1 — Potential applicant desiring Federal assistance makes inquiries of Federal agency.

Step 2 — Funding agency informs applicant that, among other things, it must notify both State and areawide clearinghouses about the project for which it intends to apply for assistance.

Step 3 — Applicant notifies clearinghouses.

Step 4.a. — State clearinghouse notifies State agencies which might have programs affected by proposed project, including, where appropriate, environmental agencies and State agencies responsible for enforcing or furthering the objectives of civil rights laws.

4.b. — Areawide clearinghouse notifies local governments and agencies whose interests might be affected by the proposed project,including, where appropriate, local and regional environmental agencies and public agencies responsible for enforcing or furthering the objectives of civil rights laws.

Step 5 — State agencies, local governments, or others to whom notifications have been sent inform appropriate clearinghouse of any problems they may have with the proposed project.

Step 6 — Clearinghouse may sign-off on the project, if there are no problems; or, if there are problems or questions raised about the project, the clearinghouse may arrange conferences with the applicant to discuss such questions or issues.

Step 7 — If questions or issues have been resolved, clearinghouse may sign-off on the application; or if issues remain, applicant and clearinghouse (and any State or local interest) cooperate in developing the application to resolve the issues and strengthen the project.

Step 8 — If issues remain by the end of the 30-day notification period, the clearinghouse should inform the applicant that it will want to review the completed application, unless the issues are resolved prior to its completion.

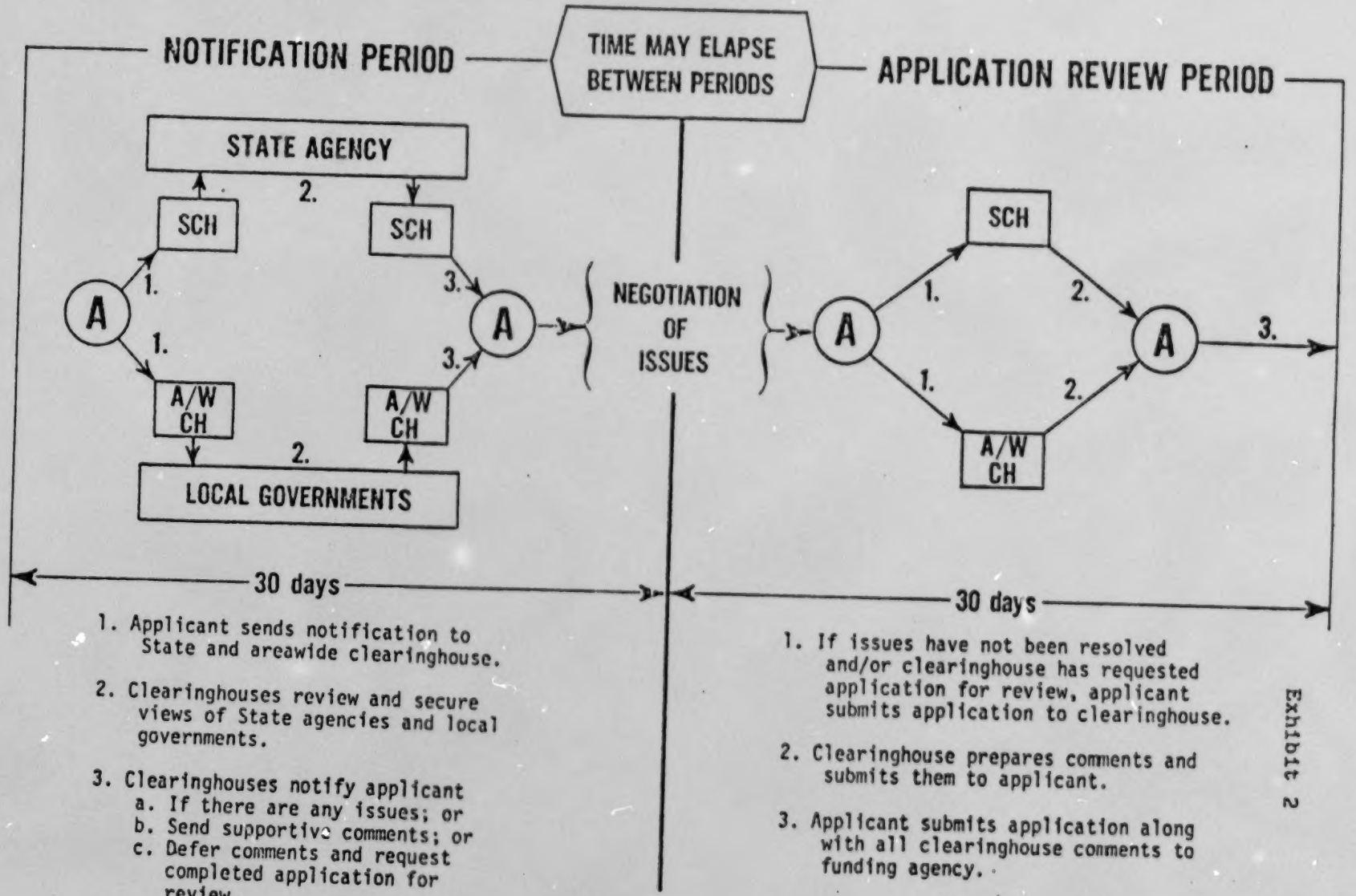
Step 9 — If the clearinghouse has requested a copy of the completed application for information, when supportive comments have already been provided to the applicant, or for review and comment, when issues have not been resolved, the applicant will supply a copy of the completed application to the clearinghouse. If the completed application is submitted for information, the applicant may submit the application to the funding agency at the same time. Where it is submitted for review and comment, the applicant will permit 30 days for the clearinghouse to submit comments.

Step 10 — At the end of 30 days or whenever the applicant has received the comments of the clearinghouse, whichever is earlier, he may submit his application to the funding agency. However, the applicant must have comments or sign-off from both the State and areawide clearinghouses (or no responses within the allotted time periods) before he is free to submit his application to the funding agency. All comments received from clearinghouses must accompany the application submitted to the funding agency.

Step 11 — Funding agency considers application and attached comments and informs clearinghouses of action taken thereon (using Standard Form 424, where appropriate). Where a project against which a clearinghouse has recommended is funded, the action notice is accompanied by an explanation to the clearinghouse as to why its recommendations were not accepted.

It is possible for the review process to come to a satisfactory conclusion at any point at which clearinghouses can inform the applicant in writing of satisfaction with the project, as well as after Step 10. If an applicant has received no word from a clearinghouse at the end of the 30-day notification period, he may assume the clearinghouse has no further interest in the application. A clearinghouse which has not been able to get its comments on a completed application to the applicant during the allotted 30 days may submit his comments directly to the funding agency, which will consider them if its own application processing has not been completed.

PROJECT NOTIFICATION AND REVIEW SYSTEM



1. Applicant sends notification to State and areawide clearinghouse.

2. Clearinghouses review and secure views of State agencies and local governments.

3. Clearinghouses notify applicant
   a. If there are any issues; or
   b. Send supportive comments; or
   c. Defer comments and request completed application for review.

1. If issues have not been resolved and/or clearinghouse has requested application for review, applicant submits application to clearinghouse.

2. Clearinghouse prepares comments and submits them to applicant.

3. Applicant submits application along with all clearinghouse comments to funding agency.

Exhibit 2

U.S. GOVERNMENT PRINTING OFFICE : 1980 O - 311-128

federal register

TUESDAY, JANUARY 13, 1976

OFFICE OF MANAGEMENT AND BUDGET

CIRCULAR NO. A-95

EVALUATION, REVIEW AND COORDINATION OF FEDERAL AND FEDERALLY ASSISTED PROGRAMS AND PROJECTS

OFFICE OF MANAGEMENT AND BUDGET

[Circular No. A-95 Revised]

EVALUATION, REVIEW, AND COORDINATION OF FEDERAL AND FEDERALLY ASSISTED PROGRAMS AND PROJECTS

JANUARY 2, 1976.

1. *Purpose.* This Circular furnishes guidance to Federal agencies for cooperation with State and local governments in the evaluation, review, and coordination of Federal and federally assisted programs and projects. The Circular promulgates regulations (Attachment A) which provide, in part, for:

a. Encouraging the establishment of a project notification and review system to facilitate coordinated planning on an intergovernmental basis for certain Federal assistance programs in furtherance of section 204 of the Demonstration Cities and Metropolitan Development Act of 1966 and Title IV of the Intergovernmental Cooperation Act of 1968 (Attachment B).

b. Coordination of direct Federal development programs and projects with State, areawide, and local planning and programs pursuant to Title IV of the Intergovernmental Cooperation Act of 1968.

c. Securing the comments and views of State and local agencies which are authorized to develop and enforce environmental standards on certain Federal or federally assisted projects affecting the environment pursuant to section 102 (2)(C) of the National Environmental Policy Act of 1969 (Attachment (C)) and regulations of the Council on Environmental Quality.

d. Furthering the objectives of Title VI of the Civil Rights Act of 1964.

This Circular supersedes Circular No. A-95 (Revised), dated November 13, 1973 (Part II, FEDERAL REGISTER, Vol. 38, No. 223, pp. 32874–32881, November 28, 1973). It will become effective February 27, 1976.

2. *Basis.* This Circular has been prepared pursuant to:

a. Section 401(a) of the Intergovernmental Cooperation Act of 1968 which provides, in part, that:

"The President shall • • • establish rules and regulations governing the formulation, evaluation, and review of Federal programs and projects having a significant impact on area and community development • • •"

and the President's Memorandum of November 8, 1968, to the Director of the Bureau of the Budget ("FEDERAL REGISTER, Vol. 33, No. 221, November 13, 1968) which provides:

"By virtue of the authority vested in me by section 301 of title 3 of the United States Code and section 401(a) of the Intergovernmental Cooperation Act of 1968 (Public Law 90-577), I hereby delegate to you the authority vested in the President to establish the rules and regulations provided for in that section governing the formulation, evaluation, and review of Federal programs and projects having a significant impact on area and community development, including programs providing Federal assistance to the States and localities, to the end that they shall most effectively serve these basic objectives.

"In addition, I expect the Bureau of the Budget to generally coordinate the actions of the departments and agencies in exercising the new authorizations provided by the Intergovernmental Cooperation Act, with the objective of consistent and uniform action by the Federal Government."

b. Title IV, section 403, of the Intergovernmental Cooperation Act of 1968 which provides that:

"The Bureau of the Budget or such other agency as may be designated by the President, is hereby authorized to prescribe such rules and regulations as are deemed appropriate for the effective administration of this Title."

c. Section 204(c) of the Demonstration Cities and Metropolitan Development Act of 1966 which provides that:

"The Bureau of the Budget, or such other agency as may be designated by the President, shall prescribe such rules and regulations as are deemed appropriate for the effective administration of this section," and

d. Reorganization Plan No. 2 of 1970 and Executive Order No. 11541 of July 1, 1970, which vest all functions of the Bureau of the Budget or the Director of the Bureau of the Budget in the Director of the Office of Management and Budget.

3. *Coverage.* The regulations promulgated by this Circular (Attachment A) will have applicability:

a. Under Part I, to all projects and activities (or significant substantive changes thereto) for which Federal assistance is being sought under the programs listed in Attachment D or Appendix I of the *Catalog of Federal Domestic Assistance* whichever bears the later date. Limitations and provisions for exceptions are noted therein or under paragraph 8 of Part I.

b. Under Part II, to all direct Federal development activities, including the acquisition, use, and disposal of Federal real property; in addition, agencies responsible for granting licenses and permits for developments or activities significantly affecting area and community development or the physical environment are strongly urged to consult with clearinghouses on applications for such licenses or permits.

c. Under Part III, to all Federal programs as listed in Appendix II of the *Catalog of Federal Domestic Assistance*, requiring, by statute or administrative regulation, a State plan as a condition of assistance.

d. Under Part IV, to all Federal programs providing assistance to State, areawide, or local agencies or organizations for multijurisdictional or areawide planning.

4. *"A-95: What It Is—How It Works."* A fuller discussion of the background, purposes, and objectives of the Circular and of the requirements promulgated thereunder may be found in the brochure, "A-95: What It Is—How It Works," obtainable from the Office of Management and Budget or from Federal Regional Councils.

5. *"A-95 Administrative Notes."* From time to time OMB will issue "A-95 Administrative Notes" providing interim determinations or interpretations on matters of national scope relating to administration of the Circular.

6. *Federal Regional Councils.* Federal Regional Councils are responsible for coordinating the implementation of the requirements of this Circular at the Federal regional level. The Office of Management and Budget is responsible for policy oversight of the Circular and liaison with departmental and agency liaison officers on matters of national scale related to the requirements of the Circular.

7. *Federal agency implementing procedures and regulations.* Agencies will develop interim procedures and regulations implementing the requirements of this Circular revision which will become effective on February 27, 1976. The interim procedures and regulations will be published in the FEDERAL REGISTER no later than February 27, 1976. Agencies will promulgate final implementing procedures and regulations no later than April 29, 1976. OMB will assist and cooperate with agencies in developing such procedures and regulations.

8. *Inquiries.* Inquiries concerning this Circular may be addressed to the Regional A-95 Coordinator for the appropriate Federal Regional Council or to the Office of Management and Budget, Washington, D.C. 20503, telephone (202)–395–3031.

JAMES T. LYNN,
Director.

ATTACHMENT A—CIRCULAR NO. A-95 REVISED

Regulations Under Section 204 of the Demonstration Cities and Metropolitan Development Act of 1966, Title IV of the Intergovernmental Cooperation Act of 1968, and Section 102(2)(C) of the National Environmental Policy Act of 1969

PART I: PROJECT NOTIFICATION AND REVIEW SYSTEM

1. *Purpose.* The purpose of this Part is to:

a. Further the policies and directives of Title IV of the Intergovernmental Cooperation Act of 1968 by encouraging the establishment of a network of State and areawide planning and development clearinghouses which will aid in the coordination of Federal or federally assisted projects and programs with State, areawide, and local planning for orderly growth and development.

b. Implement the requirements or section 204 of the Demonstration Cities and Metropolitan Development Act of 1966 for metropolitan areas within that network.

c. Implement, in part, requirements of section 102(2)(C) of the National Environmental Policy Act of 1969, which

197 95

require that State, areawide, and local agencies which are authorized to develop and enforce environmental standards be given an opportunity to comment on the environmental impact of Federal or federally assisted projects.

d. Provide public agencies charged with enforcing or furthering the objectives of State and local civil rights laws with opportunity to participate in the review process established under this Part.

e. Encourage, by means of early contact between applicants for Federal assistance and State and local governments and agencies, an expeditious process of intergovernmental coordination and review of proposed projects.

2. *Notification of intent.*

a. Any agency of State or local government or any organization or individual undertaking to apply for assistance to a project or major substantive modification thereto under a Federal program covered by this Part will be required to notify both the State and areawide planning and development clearinghouse in the jurisdiction of which the project is to be located of its intent to apply for assistance at such time as it determines it will develop an application.

In the case of applications for projects involving land or water use and development or construction in the National Capital Region (as defined in section 1(b) of the National Capital Planning Act of 1952, as amended) a copy of the notification will be sent to the National Capital Planning Commission (NCPC) in addition to the areawide clearinghouse and the appropriate State clearinghouse. NCPC is the official planning agency for the Federal Government in the National Capital Region.

In the case of an application in any State for an activity that is Statewide or broader in nature (such as for various types of research) and does not affect nor have specific applicability to areawide or local planning and programs, the notification need be sent only to the State clearinghouse. Involvement of areawide clearinghouses in the review in such cases will be at the initiative of the State clearinghouse.

Notifications will include a summary description of the project for which assistance will be sought. The summary description will contain the following information, as appropriate and to the extent available:

(1) Identity of the applicant agency, organization, or individual.

(2) The geographic location of the project to be assisted. A map should be provided, if appropriate.

(3) A brief description of the proposed project to be assisted. A map should be scale, estimated cost, beneficiaries, or other characteristics which will enable the clearinghouses to identify agencies of State or local government having plans, programs, or projects that might be affected by the proposed project.

(4) A statement as to whether or not the applicant has been advised by the funding agency from which assistance is being sought that he will be required to submit environmental impact information in connection with the proposed project.

(5) The Federal program title and number and agency under which assistance will be sought as indicated in Attachment D or the latest *Catalog of Federal Domestic Assistance*. (The *Catalog* is issued annually in the spring and is updated during the year.) In the case of programs not listed therein, programs will be identified by Public Law number or U.S. Code citation.

(6) The estimated date the applicant expects to formally file an application.

Many clearinghouses have developed notification forms and instructions. Applicants are urged to contact their clearinghouses for such information in order to expedite clearinghouse review.

b. In order to assure maximum time for effective coordination and so as not to delay the timely submission of the completed application to the funding agency, notifications containing the preliminary information indicated above should be sent at the earliest feasible time.

c. Applications from federally recognized Indian tribes are not subject to the requirements of this Part. However, Indian tribes may voluntarily participate in the Project Notification and Review System and are encouraged to do so. Federal agencies will notify the appropriate State and areawide clearinghouses of any applications from federally recognized Indian tribes upon their receipt. Where a federally recognized Tribal Government has established a mechanism for coordinating the activities of Tribal departments, divisions, enterprises, and entities, Federal agencies will, upon request of such Tribal Government transmitted through the Office of Management and Budget, require that applications for assistance under programs covered by this Part from such Tribal departments, divisions, enterprises, and entities be subject to review by such Tribal coordinating mechanism as though it were a State or areawide clearinghouse.

3. *Clearinghouse functions.* Clearinghouse functions include:

a. Evaluating the significance of proposed Federal or federally assisted projects to State, areawide, or local plans and programs.

b. Receiving and disseminating project notifications to appropriate State and multistate agencies in the case of the State clearinghouse and to appropriate local governments and agencies and regional organizations in the case of areawide clearinghouses; and providing liaison, as may be necessary, between such agencies or bodies and the applicant. In the case of units of general local government, notifications of all projects affecting his jurisdiction will, if requested, be sent to the chief executive of such unit by the areawide clearinghouse or to such central agency as he may designate for review and reference to appropriate agencies of such unit.

c. In the case of projects under programs covered by this Part located in the coastal zone, as defined in the Coastal Zone Management Act of 1972, assuring that the State agency, if other than the State clearinghouse, responsible for administration of the approved program for the management of the coastal zone, is given opportunity to review the project for its relationship to such program and its consistency therewith.

d. Assuring, pursuant to section 102(2)(C) of the National Environmental Policy Act of 1969, that appropriate State, multistate, areawide, or local agencies which are authorized to develop and enforce environmental standards are informed of and are given opportunity to review and comment on the environmental significance of proposed projects for which Federal assistance is sought.

e. Providing public agencies charged with enforcing or furthering the objectives of State and local civil rights laws with opportunity to review and comment on the civil rights aspects of the project for which assistance is sought.

f. Providing, pursuant to Part II of these regulations, liaison between Federal agencies contemplating direct Federal development projects and the State or areawide agencies or local governments having plans or programs that might be affected by the proposed project.

g. In the case of a project for which Federal assistance is sought by a special purpose unit of local government, clearinghouses will assure that any unit of general local government having jurisdiction over the area in which the project is to be located has opportunity to confer, consult, and comment upon the project and the application.

h. Where areawide clearinghouse jurisdictions are contiguous, coordinative arrangements should be established between the clearinghouses in such areas to assure that projects in one area which may have an impact on the development of a contiguous area are jointly studied. Any comments and recommendations made by or through a clearinghouse in one area on a project in a contiguous area will accompany the application for assistance to that project.

4. *Consultation and review.* a. State and areawide clearinghouses may have a period of 30 days after receipt of a project notification in which to inform State and multistate agencies and local or regional governments or agencies (including agencies referred to in subparagraphs c, d, and e, above) that may be affected by the proposed project and arrange, as may be necessary, to consult with the applicant thereon. The review may be completed in this period and comments may be submitted to the applicant.

b. If the review is not completed during this period, the clearinghouse may work with the applicant in the resolution of any problems raised by the proposed project during the period in which the application is being completed.

c. In cases where no project notification has been submitted and the clearinghouse receives only a completed application, it may have 60 days to review the completed application. If a completed

application is submitted during the first 30 days after a notification has been submitted, the clearinghouse may have 30 days plus the number of days remaining in the initial 30 day notification period to complete its review. In all other cases, the clearinghouse may have 30 days to review a completed application. Where clearinghouses have not completed their reviews during the 30 day notification period, they are strongly urged to give the applicant formal notice to that effect. Where reviews have been completed prior to completion of an application, an information copy will be supplied to the clearinghouse, upon request, when the application is submitted to the funding agency.

d. Written comments submitted to the areawide clearinghouse by other jurisdictions, agencies, or parties will be included as attachments to the comments of areawide clearinghouses, when they are at variance with the clearinghouse comments; and others from whom comments were solicited and received should be listed.

e. Under some programs, applicants—primarily nongovernmental — are required to submit confidential information to the funding agency. Such information may relate to the applicant's financial status or structure (e.g., overall investment program or holdings); to personnel (e.g., personal histories of project officers) or may involve proprietary information (e.g., industrial processes, research ideas). Such confidential information need not be included with applications submitted to clearinghouses for review.

f. Applicants will include with the completed application as submitted to the Federal agency (or to the State agency in the case of projects for which the State, under certain programs, has final project approval):

(1) All comments and recommendations made by or through clearinghouses, along with a statement that such comments have been considered prior to submission of the application; or

(2) Where no comments have been received from a clearinghouse, a statement that the procedures outlined in this section have been followed and that no comments or recommendations have been received.

g. Applications for renewal or continuation grants or applications not submitted to or acted on by the funding agency within one year after completion of clearinghouse review will be subject to re-review upon request of the clearinghouse.

5. *Subject matter of comments and recommendations.* Comments and recommendations made by or through clearinghouses with respect to any project are for the purpose of assuring maximum consistency of such project with State, areawide, and local comprehensive plans. They are also intended to assist the Federal agency (or State agency, in the case of projects for which the State under certain Federal grants has final project approval) administering such a program in determining whether the project is in accord with applicable Federal law, particularly those requiring consistency with State, areawide, or local plans. Comments or recommendations may include, but need not be limited to, information about:

a. The extent to which the project is consistent with or contributes to the fulfillment of comprehensive planning for the State, area, or locality.

b. The extent to which the proposed project:

(1) Duplicates, runs counter to, or needs to be coordinated with other projects or activities being carried out in or affecting the area; or

(2) Might be revised to increase its effectiveness or efficiency in relationship to other State, area, or local programs and projects.

c. The extent to which the project contributes to the achievement of State, areawide, and local objectives and priorities relating to natural and human resources and economic and community development as specified in section 401 of the Intergovernmental Cooperation Act of 1968, including:

(1) Appropriate land uses for housing, commercial, industrial, governmental, institutional, and other purposes;

(2) Wise development and conservation of natural resources, including land, water, mineral, wildlife, and others;

(3) Balanced transportation systems, including highway, air, water, pedestrian, mass transit, and other modes for the movement of people and goods;

(4) Adequate outdoor recreation and open space;

(5) Protection of areas of unique natural beauty, historical and scientific interest;

(6) Properly planned community facilities, including utilities for the supply of power, water, and communications, for the safe disposal of wastes, and for other purposes; and

(7) Concern for high standards of design.

d. As provided under section 102(2)(C) of the National Environmental Policy Act of 1969, the extent to which the project significantly affects the environment including consideration of:

(1) The environmental impact of the proposed project;

(2) Any adverse environmental effects which cannot be avoided should the proposed project be implemented;

(3) Alternatives to the proposed project;

(4) The relationship between local short term uses of man's environment and the maintenance and enhancement of long term productivity; and

(5) Any irreversible and irretrievable commitments of resources which would be involved in the proposed project or action, should it be implemented.

e. Effects on energy resource supply and demand.

f. The extent to which people or businesses will be displaced and the availability of relocation resources.

g. As provided under section 307(d) of the Coastal Zone Management Act of 1972, in the case of a project located in the coastal zone, the relationship of the project to the approved State program for the management of the coastal zone and its consistency therewith.

h. The extent to which the project contributes to more balanced patterns of settlement and delivery of services to all sectors of the area population, including minority groups.

i. In the case of a project for which assistance is being sought by a special purpose unit of local government, whether the unit of general local government having jurisdiction over the area in which the project is to be located has applied, or plans to apply, for assistance for the same or a similar type project. This information is necessary to enable the Federal (or State) agency to make the judgments required under section 402 of the Intergovernmental Cooperation Act of 1968.

6. *Federal agency procedures.* Federal agencies having programs covered under this Part will develop appropriate procedures for:

a. Informing potential applicants for assistance under such programs of the requirements of this Part (1) in program information materials, (2) in response to inquiries respecting application procedures, (3) in pre-application conferences, or (4) by other means which will assure earliest contact between applicant and clearinghouses.

b. Assuring that all applications for assistance under programs covered by this part have been submitted to appropriate clearinghouses for review prior to their submission to the funding agency. Applications that do not carry evidence that both areawide and State clearinghouses have been given an opportunity to review the application will be returned to the applicant with instructions to fulfill the requirements of this Part. Agencies will insure that all applications contain a State Application Identifier (SAI) number. (This is mandatory for use in notifying clearinghouses of action taken on the application.)

c. Notifying such clearinghouses within seven working days of any major action taken on such applications that have been reviewed by said clearinghouses. Major actions will include awards, rejections, returns for amendment, deferrals, or withdrawals. The standard multipurpose form, SF 424, promulgated by Federal Management Circular 74-7, will be used for this purpose, unless a waiver has been granted by OMB. (See Attachment E.)

d. Where a clearinghouse has recommended against approval of an application or approval only with specific and major substantive changes, and the funding agency approves the application substantially as submitted, the funding agency will provide the clearinghouse, along with the action notice, an explanation therefor.

e. Where a clearinghouse has recommended against approval of a project because it conflicts with or duplicates another Federal or federally assisted project, the funding agency will consult

with the agency assisting the referenced projects prior to acting, if it plans to approve the application.

f. Assuring, in the case of an application submitted by a special purpose unit of local government, where accompanying comments indicate that the unit of general local government having jurisdiction over the area in which the project is to be located has submitted or plans to submit an application for assistance for the same or a similar type project, that appropriate considerations and preferences as specified in section 402 of the Intergovernmental Cooperation Act of 1968, are accorded the unit of general local government. Where such preference cannot be so accorded, the agency shall supply, in writing, to the unit of general local government and the Office of Management and Budget its reasons therefor.

7. *Housing programs.* For housing programs of the Department of Housing and Urban Development, the Veterans Administration, and the Farmers Home Administration of the Department of Agriculture the following procedures will be followed, except as provided in subparagraph d below:

a. The appropriate HUD, VA, or USDA/FHA office will transmit to the appropriate State and areawide clearinghouses a copy of the initial application for project approval.

b. Clearinghouses will have 30 days from receipt to review the applications and to forward to the HUD, VA, or USDA/FHA office any comments which they may have, including observations concerning the consistency of the proposed project with State and areawide development plans, the extent to which the proposed project will provide housing opportunities for all segments of the community, and identification of major environmental concerns including impact on energy resource supply and demand. Processing of applications in the HUD, VA, or USDA/FHA office will proceed concurrently with the clearinghouse review.

c. This procedure will include only applications involving new construction or substantial rehabilitation and will apply to applications for loans, loan guarantees, mortgage insurance, or other housing assistance:

(1) In Urbanized Areas, as defined by the U.S. Bureau of the Census (see Appendix A, 1970 Census of Population, Characteristics of the Population or Characteristics of Housing), to:

(a) Subdivisions having 25 or more lots.

(b) Multifamily projects having 50 or more dwelling units.

(c) Mobile home courts with 50 or more spaces.

(d) College housing provided under the debt service or direct loan programs for 200 or more students.

(2) In all other areas, to:

(a) Subdivisions having 10 or more lots.

(b) Multifamily projects having 25 or more dwelling units.

(c) Mobile home courts with 25 or more spaces.

(d) College housing provided under the debt service or direct loan programs for 100 or more students.

d. As an alternative to the above procedure, the developer may submit his application directly to the appropriate clearinghouses prior to submitting it to the Federal agency. In such cases, the application, when submitted to the Federal agency, will be accompanied by the comments of the clearinghouses.

e. Exemption: Applications for additional units in a subdivision substantially completed (i.e., with streets, water and sewer facilities, culverts, etc.) are exempted from this requirement when:

(1) The subdivision was approved and/or recorded by the appropriate unit of local government within three years of the application submittal; and

(2) In cases of subdivisions approved more than three years prior, the clearinghouses waive the requirement.

This exemption does not apply to applications for housing in an undeveloped subdivision or in proposed extensions of existing subdivisions.

8. *Coverage, exceptions, and variations.*

a. Generally, this Part of this Circular and the laws on which it is based are concerned with programs providing financial assistance to projects and activities which have an impact on State, areawide, and local development, including development of natural, economic, and human resources. This Part is concerned with achieving the most effective and efficient utilization of Federal assistance programs through coordination among and between Federal, multistate, State, areawide, and local plans and programs and the elimination of conflict, overlap, and duplication of projects and activities under such programs. Coverage under this Part includes, or will be extended from time to time as deemed necessary and practicable to include programs bearing upon these concerns and objectives.

b. Programs not considered appropriate to this Part are programs of the following types:

(1) Direct financial assistance to individuals or families for housing, welfare, health care services, education, training, economic improvement, and other direct assistance for individual and family enhancement.

(2) Incentive payments or insurance for private sector activities not involving real property development or land use and development.

(3) Agricultural crop supports or payments.

(4) Assistance to organizations and institutions for the provision of education or training not designed to meet the needs of specific individual States or localities.

(5) Research, not involving capital construction, which is national in scope or is not resigned to meet the needs or to address problems of a particular State, area, or locality (except in the case of demonstration or pilot research programs where projects may have an impact on the community or area in which they are being conducted).

(6) Assistance to educational, medical, or similar service institutions or agencies for internal staff development or management improvement purposes.

(7) Assistance to educational institutions for activities that are part of a school's regular academic program and are not related to local programs of health, welfare, employment, or other social services.

(8) Assistance for construction involving only routine maintenance, repair, or minor construction which does not change the use or the scale or intensity of use of the structure or facility.

c. OMB will consider Federal agency requests for exemption of certain classes of projects or activities under programs otherwise covered which:

(1) Meet any of the above characteristics of programs inappropriate for coverage under this Part;

(2) Are of small scale or size or are highly localized as to impact; or

(3) Display other characteristics which might make review impractical.

d. OMB will consider Federal agency requests for procedural variations from normal review processes:

(1) On a temporary basis for programs with time constraints brought about because of start up requirements or other unusual circumstances beyond the control of the funding agency. (Note: Delay in fund availability is not normally an acceptable reason for a variation. When a delay is anticipated, applicants should be instructed to have their applications reviewed by clearinghouses in readiness for submission when funds become available.)

(2) For programs where statutory or related procedural limitations make the normal review processes impracticable.

e. All requests from Federal agencies for exemptions or procedural variations should be addressed to the Associate Director for Management and Operations, Office of Management and Budget.

f. Individual clearinghouses may exempt certain types of projects from review for reasons indicated above or for other reasons appropriate to the State or area.

g. Applicants should be made aware that, in various States, State law requires review of applications for Federal assistance under various programs not covered by this Part. Implementation of such laws is enforced through State rules and regulations, and applicants are urged to ascertain the existence of such laws and to acquaint themselves with applicable State procedures.

9. *Joint Funding.* Applications for assistance to activities under the Joint Funding Simplification Act (P.L. 93-510) or any other joint funding authority, which involve activities funded under one or more of the programs covered under this Part, will be subject to the requirements of this Part.

10. *Agency procedures and regulations.* a. Proposed agency procedures and regulations for implementing the requirements of this Part will be published in the FEDERAL REGISTER as specified in paragraph 7 of this Circular. Programs to which the procedures and regulations will apply will be cited by their numbers in the *Catalog of Federal Domestic Assistance*. Where such numbers have not yet been assigned, programs will be referenced by Public Law and section or by U.S. Code citation. Subsequent amendments to such procedures and regulations will also be published pursuant to paragraph 7 of the Circular.

b. As a part of such proposed procedures and regulations published in the FEDERAL REGISTER, agencies may identify specific types of projects which they believe should be exempt from coverage under programs for which proposed procedures and regulations are being published. Such publication will constitute a formal request for exemption to the Office of Management and Budget, to which it will respond in its review of the proposed procedures and regulations.

c. OMB will assist and cooperate with agencies in developing such procedures and regulations.

d. A copy of agency internal procedures for implementation of this Part, if not contained in the above procedures and regulations, will be sent to the Associate Director of the Office of Management and Budget for Management and Operations.

11. *Reports and directories.* a. The Director of the Office of Management and Budget may require reports, from time to time, on the implementation of this Part.

b. The Office of Management and Budget will maintain and distribute to appropriate Federal agencies a directory of State and areawide clearinghouses.

c. The Office of Management and Budget will notify Federal Regional Councils, clearinghouses, and Federal agencies of any excepted categories of projects under covered programs.

PART II: DIRECT FEDERAL DEVELOPMENT

1. *Purpose.* The purpose of this Part is to:

a. Provide State and local government with information on projected Federal development so as to facilitate coordination with State, areawide, and local plans and programs.

b. Provide Federal agencies with information on the relationship of proposed direct Federal development projects and activities to State, areawide, and local plans and programs; and to assure maximum feasible consistency of Federal developments with State, areawide, and local plans and programs.

c. Provide Federal agencies with information on the possible impact on the environment of proposed Federal development.

2. *Coordination of direct Federal development projects with State, areawide, and local development.* a. Federal agencies having responsibility for the planning and construction of Federal buildings and installations or other Federal public works or development or for the acquisition, use, and disposal of Federal land and real property will establish procedures for:

(1) Consulting with Governors, State and areawide clearinghouses, and local elected officials at the earliest practicable stage in project or development planning on the relationship of any plan or project to the development plans and programs of the State, area, or locality in which the project is to be located. In the case of projects in the National Capital Region, such consultation should be undertaken in cooperation with the the National Capital Planning Commission.

(2) Assuring that any such Federal plan or project is consistent or compatible with State, areawide, and local development plans and programs identified in the course of such consultations. Exceptions will be made only where there is clear justification. Explanation of any necessary inconsistency or incompatibility will be provided, in writing, to the appropriate clearinghouses.

(3) Providing State, areawide, and local agencies which are authorized to develop and enforce environmental standards with adequate opportunity to review such Federal plans and projects pursuant to section 102(2)(C) of the National Environmental Policy Act of 1969. Any comments of such agencies will accompany the environmental impact statement submitted by the Federal agency.

(4) Providing, in the case of projects located in the coastal zone, the State agency responsible for administration of the approved program for the management of the coastal zone with opportunity to review the relationship of the proposed project to such program and its consistency therewith.

(5) Providing, through the appropriate clearinghouses, Health Systems Agencies and State Health Planning and Development Agencies designated pursuant to the National Health Planning and Resources Development Act of 1974 with adequate opportunity to review Federal projects for construction and/or equipment involving capital expenditures exceeding $200,000 for modernization, conversion, and expansion of Federal inpatient care facilities, which alter the bed capacity or modify the primary function of the facility, as well as plans for provision of major new medical care services. (Excluded are projects to renovate or install mechanical systems, air conditioning systems, or other similar internal system modifications.) The agencies are expected to evaluate proposed Federal projects for consistency with areawide and local health delivery plans and health supply-demand situations, as well as considering clearinghouse comments on such specific points as those listed in paragraph 5 of Part I. The comments of such agencies and any clearinghouse comments will accompany the plan and budget requests submitted by the Federal agency to the Office of Management and Budget or a certification that the agencies and clearinghouses had been provided a reasonable time to comment and had failed to do so.

3. *Use of clearinghouses.* The State and areawide planning and development clearinghouses established pursuant to Part I will be utilized to the greatest extent practicable to effectuate the requirements of this Part. Agencies are urged to establish early contact with clearinghouses to work out arrangements for carrying out the consultation and review required under this Part, including identification of types of projects considered appropriate for consultation and review. Clearinghouses may utilize criteria set forth in paragraph 5 of Part I in evaluating direct Federal development projects.

4. *Federal licenses and permits.* Agencies responsible for granting Federal licenses and permits for development projects and activities which would have a significant impact on State, interstate, areawide, or local development plans or programs or on the environment are strongly urged to consult with State and areawide clearinghouses and to seek their evaluations of such impacts prior to granting such licenses or permits.

5. *Agency procedures and regulations.* a. To the greatest extent possible, agencies engaged in direct Federal development activities will follow the general procedures outlined under Part I of Attachment A in affording State and areawide clearinghouses opportunities to review and comment on plans and developments.

b. Where legislative or executive constraints or related circumstances do not permit following such procedures, agency procedures and regulations will set forth for each program, at a minimum:

(1) The point in project planning at which clearinghouses will be contacted;

(2) The minimum time clearinghouses will be afforded to review the proposed project;

(3) The minimum information to be provided to the clearinghouses; and

(4) Procedures for notifying clearinghouses on actions taken on such project (implementation, timing, postponement, abandonment) and explaining actions taken contrary to clearinghouse recommendations.

c. The Office of Management and Budget will consider other procedures such as memoranda of agreement between Federal installations and clearinghouses for coordinating Federal and civilian planning, that are designed to achieve the objectives of this Part.

d. All proposed agency procedures and regulations to implement this Part will be published in the Federal Register pursuant to paragraph 7 of the Circular. OMB will assist and cooperate with agencies in developing such procedures and regulations.

PART III: STATE PLANS

1. *Purpose.* The purpose of this Part is to provide Federal agencies with information about the relationship to State or areawide comprehensive planning of State plans which are required or form

PROGRAM PLANNING AND MANAGEMENT SYSTEM

What is a Management System..... 100

Administrative SAVI Requirements..... 101

Tools to Aid in Planning and Management..... 102

Self Review of Management Planning..... 103

Milestone Chart of Program Activities..... 108

PROGRAM PLANNING AND MANAGEMENT SYSTEM

A program's management system is the foundation and framework for its service delivery capacity. The management system affects a program's strengths in planning, assessments, coordination of components, monitoring and evaluative processes. On the other hand, weak management interferes with or deteriorates a program's service delivery system.

What is a management system; what is mandated; and how do you know if you've got a good one? These are the questions that will be explored in this chapter. The strengths or weaknesses of any management system are often difficult to isolate because we are a service organization which depends heavily on human resources. Sometimes program managers are unaware of a weak link in their service delivery system, until an outsider points it out. The primary reason for such an oversight is lack of objectivity; it is very difficult to analyze and evaluate your own program in an objective manner because you are so closely involved with daily operations.

While reading the following pages in this chapter, ask yourself what methods, systems and procedures your program utilizes in each of the various management functions. You can assess for yourself if your systems are adequate, or if they could use improvement. Head Start is considering the use of "peer reviews" as an alternative to enhance the indepth CMR. Such a monitoring process would afford programs the opportunity of sharing expertise with one another to improve their management systems.

ADMINISTRATIVE SAVI REQUIREMENTS
PROGRAM PLANNING

Grantees are mandated to have "a management system that ensures proper planning, efficient operation of the program design..." In addition, program management systems must include:

A. Annual review of community needs assessment

B. Annual review of program options selected

C. Written program planning procedures which includes:

1. Setting of component objectives, timetables, budgets

2. Workplans and budgets based on identified objectives

3. Explicit delegate agency agreements (where appropriate)

4. Monitoring process

D. Internal communication system which includes:

1. Internal reporting system

2. Internal record system

3. Information flow process

E. Annual self assessment and improvement process which includes:

1. Review of grantee and delegate activities

2. Team composed of staff, parents and Board

3. Training for the team

4. Grantee improvement process

TOOLS TO AID PROGRAM PLANNING AND MANAGEMENT

There are several management functions implied in the term "program planning and management." These entail processes for ensuring adequate planning to meet objectives, allocation of resources, measures to control and monitor progress toward objectives and a means of evaluating results. Head Start administrators are encouraged to utilize planning tools which aid in the scheduling of events, assigning of responsibilities for task accomplishment and assessing strengths and weakness.

Two planning and management aids are illustrated in this section: A Self Review of Management Planning designed from the Administrative SAVI and a Milestone Chart of Program Activities, which can be adapted to your program situation. Other recommended planning aids include a "PERT Chart," "TRY-S," and two guides developed by HSRTC entitled A Program Planning Guide and Program Planning and Beyond.

SELF-REVIEW OF MANAGEMENT PLANNING

REFERENCE	MANAGEMENT SYSTEM REQUIREMENTS	SUGGESTIONS TO MEET REQUIREMENT	INDICATE POLICIES/PROCEDURES UTILIZED BY YOUR PROGRAM
Grant application Instruction for Part IV	Annual Review of Community Needs Assessment	Contact city/county/state planning agencies as well as community service orgainzations to request copies of recent studies and community services. Review these studies for updated data which affects your Head Start population (i.e. health aspects, employment statistics, nutritional data, etc.) Document annual review of CNA by Policy Council.	
N-30-334-1-20 Program Options for Head Start	Annual Review and Approval of Program Option(s)	The annual review of your community needs assessment should lend support for the programs decision to maintain or change the program options (i.e. Full-day, part-day, center-based, home-based.) Document Policy Council approval of the program options annually.	
Grant Application Instructions for Part IV Performance Standards	Written Procedure for Program Planning.....	Follow the outline provided in the Grant Application - Instructions for Completion of Part IV; Children, Youth and Families - Head Start which is required in the Narrative every fourth year. In addition, component plans are to be updated annually for Education, Health, Nutrition, Mental Health, Parent Involvement, Social Services, and Handicap. An administrative plan is recommended, but not mandated. Policy Council should document approval. xxxx

REFERENCE	MANAGEMENT SYSTEM REQUIREMENTS	SUGGESTIONS TO MEET REQUIREMENTS	INDICATE POLICIES/PROCEDURES UTILIZED BY YOUR PROGRAM
	... which includes:	Extract Goals and Objectives for component plans directly from Performance Standards for each Component. Utilize format recommended by Region III illustrated on page 13 of the Program Planning Guide developed by HSRTC. Plan to submit grant application, budgets and component plans to Policy Council and/or Board at least a month prior to their due dates.	
	1. A Process for Formulation of Component Service Objectives... with time for review of final objectives, timetables and budgets.	xxxx

REFERENCE	MANAGEMENT SYSTEM REQUIREMENTS	SUGGESTIONS TO MEET REQUIREMENTS	IDENTIFY POLICIES/PROCEDURES UTILIZED BY YOUR PROGRAM
		A second suggestion would be to implement a management system such as TRY-S which was developed by Texas Tech University. TRY-S has a built-in process for documenting planning and accomplishment of tasks.	
	Internal Communication System which includes... 1. An Internal Reporting System	Information can be communicated in many ways: memos circulated to appropriate persons; agendas and attendance rosters or minutes from meetings; a mail log which documents receipt and distribution of correspondence; telephone logs which list content of conversation; a reading file of all communication circulated to staff. Programs may use a combination of methods and should establish procedures to document the distribution of information. xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx Periodic reports of various activities can be developed and disseminated to Boards; i.e. attendance records from each classroom compiled by month; information on number of children completing medical and dental exams; number of children diagnosed with handicapping conditions; agendas and evaluations from parent training sessions; number of families with completed family needs assessment, etc. xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx	

REFERENCE	MANAGEMENT SYSTEM REQUIREMENTS	SUGGESTIONS TO MEET REQUIREMENTS	IDENTIFY POLICIES/PROCEDURES UTILIZED BY YOUR PROGRAM
	2. An Internal Record System	Forms, routing and filing procedures should be devised for accurate record keeping of activities such as: health reports on staff and children; disposition of a determined family need; referral and certification procedures for handicapped children, etc. HSRTC has produced resource materials on record keeping.	
	3. A Process which provides needed information to and from appropriate bodies.	Information flow should be documented by signatures and dates to ensure that Boards, Policy Councils and Committees and Delegate and Grantee officials receive necessary documents. Written procedures for information flow are suggested for inclusion in Program Policy Manual, Policy Council Manual or Monthly Program Planning Schedules.	
TN 79.4 Head Start Performance Standards SAVI instructions.	An Annual Self Assessment and Process for Program and Management Improvement.	Grantees are required to conduct a self-evaluation annually; the Policy Council has operating responsibility for the annual self-evaluation. A federal law which was issued in 1981 to minimize paper work required, resulted in a memo from ACYF that programs are no longer required to utilize the SAVI in conducting the annual self-evaluation. However, it is recommended that the SAVI be continued for two reasons: 1) its comprehensive nature ensures that programmatic details are noticed, and 2) Region III ACYF officials will continue to conduct their reviews using the SAVI as the monitoring tool.	

REFERENCE	MANAGEMENT SYSTEM REQUIREMENTS	SUGGESTIONS TO MEET REQUIREMENTS	INDICATE POLICIES/PROCEDURES UTILIZED BY YOUR PROGRAM
	which includes..... 1. A Substantial Review of Program Activities	All components should be examined for both grantee and delegate operations.	
		xxxx

INSTRUCTIONS: Use the sample below as a planning guide for developing a Milestone Chart for your program. In this example, symbols have been used to denote component functions (i.e., PI/SS = ■ ; Administration = ◆ ; Health/Nutri/Handicap = ▲ ; Education = ● ;)

MILESTONE CHART OF PROGRAM ACTIVITIES

MAJOR TASK/ACTIVITY	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Person Responsible
Enrollment	■												PI/SS Coord.
Health Screenings	▲												Health Coord.
Preservice Orientation (Staff)	■●◆▲												All Coords.
Quarterly Financial Reports	◆			◆			◆			◆			Fiscal Officer
Health Advisory Committee		▲			▲			▲			▲		Health Coord.
Parent Training In:													
Policy Council/Board			■										PI Coord.
Child Development				■●									PI & Ed. Coord.
Health/Handicap							▲■						PI & Health Coord.
Nutrition									■▲				PI & Nutri Coord.
Family Needs Assessment			■	———	■								SS Coord.
Medical Exams				▲	———	▲							Health Coord.
Dental Exams				▲	———	▲							Health Coord.
Component Plans						●■	◆▲						All Coords. and Directors
Draft Budget								◆					Director
CMR								◆					All Coord. and Directors
Staff Performance Appraisals									◆	◆			Director
Community Needs Assessment										■	———	■	SS Coord.
Grant Application											◆		Director
Recruitment	■	———	■								■	■	SS Coord.
Sanitation Inspection	▲												Health/Nutri Coord.
Licensing	◆												Director

Developed by Anita Vestal with concepts and materials taken from TRY-S (Texas Tech University) and Head Start Performance Standards.

PERSONNEL MANAGEMENT

Elements of Personnel Management..... 109

Administrative SAVI Requirements..... 110

Personnel Policies and Procedures..... 112

Policy Council Role in Personnel Administration.... 117

Sample Wage/Salary Scale..... 124

ELEMENTS OF PERSONNEL MANAGEMENT

Performance Appraisal

Wage/Salary Administration

Staff Development

Personnel Policies and Procedures

Job Descriptions

Organizational Chart

Recruitment, Interviewing, Hiring

Employee Benefits

Staff - Management Relations

ADMINISTRATIVE SAVI REQUIREMENTS
PERSONNEL MANAGEMENT

A. Position classification system which:

1. Ensures that all required program activities are assigned

2. Differentiates between responsibility and complexity of work

3. Has job descriptions and titles

4. Allows for review and update of job descriptions

B. Written qualifications requirements for each position.

C. Recruitment and selection system including:

1. Public advertising of vacancies

2. Consistency with the budgeted amounts for positions

3. Comparison of applicant's qualifications with written position qualifications

4. Interviews with applicants, reference checks and final selection according to 70.2

5. Compliance with EEO and other state and federal laws

D. Wage and benefits comparability studies, which serve as the basis for determining compensation.

E. Performance rating system with periodic staff performance appraisals

F. Merit promotion plan and promotions consistent with increased responsibility and employee qualifications.

G. Staff development program with training needs assessed and job training and supervisory training provided.

H. Written policy on:

Working hours, overtime, vacation and other absences, attendance records, travel, per-diem, training and outside employment.

I. Grievance and disciplinary action procedures.

J. Policy restricting nepotism, acceptance of gifts and gratuities, partisan political activities and conflict of interest.

K. Personnel policies and procedures which address all of the elements above and are:

1. In writing

2. Approved by Policy Council and Grantee Board

3. Distributed to all employees

L. File and records system maintained for each staff member, which is current and confidential (Personnel File).

PERSONNEL POLICIES AND PROCEDURES

As Head Start Director, it is your responsibility to see that your staff and parents are involved in the writing of personnel policies. These policies will act as a guide in the management of staff. The value of clearly written policies and procedures cannot be over emphasized.

First, they provide necessary guidance for all employees so they will know what is expected of them. They will understand the conditions under which they will work. Secondly, these policies will serve as a valuable reference for the grantee board and policy council who should have clear and uniform expectations of all employees.

If your Head Start program is governed by a CAP board or other agency whose policies do not conform to Head Start program needs, you will need to write amendments to the grantees personnel policies and procedures.

Possible amendment areas may include:

- length of work day and work week
- holidays that are taken with pay
- sick leave provisions; statement on unused leave
- vacation leave; statement on unused leave
- tenure provisions, with a statement on probationary time if required
- educational and training leave
- reimburseable expenses
- health and medical requirements
- basis of wage and salary calculation

If your Head Start program is not governed by a CAP board or other agency with their own personnel policies, you will need to write your own. The following outline may be helpful to you:

I. Introduction (General)

   A. Objective

   B. Applicability

II. Recruitment Procedures

   A. Who is responsible

   B. Where will vacancies be announced

C. Length of time for announcements

D. Type of information to be contained in announcements

E. Specific involvement of Policy Council and staff

III. Hiring Procedures

A. Screening process

B. Interviewing

C. Selection procedures

D. How parents will be involved

E. How staff will have input

IV. Type of Job Appointments

A. Initial - new positions

B. Developmental - to try out a new position or responsibility

C. Special - improvement of performance or behavior

D. Temporary - specify nature and specific objectives

E. Permanent

V. Employment

A. Records (Application)

B. Qualifications (Equal Opportunity)

C. Standards - Job descriptions, classification

D. Health

E. References

F. Orientation

G. Probationary Period

VI. Hours

A. Duty Hours

B. Overtime

C. Compensatory time

D. Holidays

E. Partial day

VII. Training

A. Pre-service training

B. In-service training

C. Individual academic training

D. Amount of training required for each staff position

E. Records that will be kept on each staff's training

F. Release time, if given

VIII. Salary

A. Current wage and salary schedule

B. Recent salary comparability study

C. Exempt-wage and salary positions

D. Description of how to receive salary increases

E. Records-time sheet (schedule of payment)

IX. Transportation and Other Expenses

A. Records (mileage sheets, expense statement, etc.)

B. Description of rate of reimbursement

X. Benefits

A. Category

1. F.I.C.A.

2. Workmen's Compensation

3. Unemployment Insurance

B. Vacation, Sick Leave, Holidays

C. Hospitalization, life insurance, retirement, disability insurance, credit union

XI. Holidays

XII. Leave

A. Eligibility

B. Annual

- amount
- non-accumulation
- professional, seniority, etc.
- time when taken

C. Procedure for applying and approval

D. Sick Leave

- documentation
- accumulation formula
- extended illness
- non-compensation in lieu of accumulated sick leave

E. Jury Leave

1. Jury pay

F. Emergency Leave

1. Death-immediate family
2. Serious illness-family

G. Military Leave

H. Other Leave

- personal business-leave of absence
- conference-leave
- occupational disability (amount less workmen's comp)

XIII. Restrictions on Political Activities

A. Specific restrictions concerning partisan politics

B. The kinds of political activities which are allowed

XIV. Evaluation Procedures

A. When evaluations will take place

B. Who will conduct evaluations

C. Copy of evaluation tool

D. Requirement that each employee receive a copy of his evaluation and sign a copy of any agreements or conditions made as a part of his evaluation

XV. Grievance Procedure

A. Schedule - How often

B. By Whom

C. Conference

XVI. Termination - Resignation

A. Grounds for termination

B. Notice to Employee

C. Severance Pay

D. Resignation - Severance pay

REMINDERS!!

- Personnel Policies and procedures should be reviewed periodically to ensure that your Head Start program's needs are being addressed.
- Copies of any amendments to the policies should be given to all employees, CAP board and policy council members in a timely manner.
- Every employee should have a copy of the personnel policies and procedures.
- Employees should be asked to re-read the policies periodically so that they can maintain a high level of understanding of what is expected of them.

Prepared by Laverne Williams. Taken from Eastern Virginia STO Newsletter, April, 1981.

Memorandum

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
OFFICE OF HUMAN DEVELOPMENT SERVICES
REGION III – PHILADELPHIA

TO :Regional Office Field Staff
ACYF - Head Start

DATE: November 15, 1979

FROM :Regional Parent Program/Social Service Specialist, LBJ

SUBJECT:Check List and Review Procedure for Head Start Programs Personnel Policies and Procedures/To determine if they meet Head Start Performance Standards

The general personnel practices of the Agency must be approved by the Policy Council/and or Committee.

There are also areas of these personnel practices which the Policy Council/Committee must actively be involved in.

They are the: (1) hiring procedures, (2) the firing procedures, (3) Disciplinary and Grievance Procedure, and (4) Program Evaluation.

I. CHECK LIST HIRING PROCEDURES.

1. Vacancies should be posted in program offices, H/S centers and placed in public media. The announcements must give parents and others a reasonable amount of time to respond and make applications if they are interested.

2. Provisions must be made so that Center Committee parents have an opportunity to express their desires as to who they believe should be hired for vacancies in their center, from applications filed.

3. Parents who have children in the program must be given preference for jobs in the program for which they qualify. (The written procedure should state this clearly.)

4. The procedure must make provisions for the Policy Council/Committee to:

   (a) Set qualifications for positions.

   (b) Be involved in the review of applications.

   (c) Be involved in the interview of candidates for positions.

   (d) Be a part of the group which makes the decision as to which person will fill the job.

   (e) The overall Policy Council/Committee must approve the final selection.

5. If there is disagreement between the Policy Council/Committee on the selection of the person for the position, there must be a written policy which clearly states how the impasse will be resolved. A statement which gives the H/S director, CAP director or Board of Directors the right to make the final decision when the Council/Committee disagrees is <u>not acceptable</u>.

II. <u>CHECK LIST FOR FIRING PROCEDURE</u>.

1. Employee must be given written notice before being terminated.

   (a) Termination notice should include appeal rights to Policy Council/Committee.

2. Any group established to hear Employee Appeals must include representatives of the Policy Council/Committee.

3. The decision of the review group must be approved by the full Policy Council/Committee.

4. Decisions which the Policy Council/Committee do not approve must be resolved to the Council's/Committee satisfaction.

5. A procedure should be developed which will state how impasses will be resolved to the satisfaction of all parties involved.

III. <u>DISCIPLINARY AND GRIEVANCE PROCEDURE</u>.

Disciplinary Procedure is action started by the Administration of the Program against an employee. Grievance Procedure is action iniated by the employee. It is a dissatisfaction expressed by employees about working conditions, the Administration, other employees, or about parents. The written personnel policies must make a clear difference between what is meant by disciplinary procedure and employee grievances.

A. Disciplinary Action

1. Proposed notices of disciplinary action should include a statement of the employee's appeal rights.

2. These appeal rights must include an appeal to the Policy Council/Committee.

3. If the appeal is to a Personnel Committee of the Policy Council/Committee, the recommendations of that Committee must be approved by the full Policy Council/Committee.

4. If there is disagreement between the Policy Council/Committee and the Administration and/or the Board of Directors, the written procedures must indicate how such empasses will be resolved.

B. Grievance Procedure

1. The grievance procedure must provide an opportunity for employees to appeal to the Policy Council/Committee for redress if they are not satisfied with the proposed actions the Administration would take in order to settle the grievance.

2. If the Administration and the Policy Council/Committee cannot agree on the settlement action, a procedure must be written which will state how disagreements will be resolved.

IV. PROGRAM EVALUATION.

There should be a written process which will outline how the Policy Council/Committee will evaluate the entire Head Start Program. This procedure should indicate when it will take place and what aspects of the program will be included.

Note: Some programs may want to indicate that the CMR is their process. Policy Council/Committee may want to use a system altogether different which concentrates on parts of the program they have more interest in, known such as:

Staff, center procedures, location of program, type of program outline and general day to day practices of the program which they may have concerns about.

V. JOB DESCRIPTIONS.

All staff should have job descriptions. The Policy Council/ Committee must approve all job descriptions including the job description of the Head Start Director.

VI. GROUPS CREATED BY THE LOCAL PROGRAMS IN ORDER TO CARRY OUT THE PERSONNEL POLICIES.

1. Many programs will establish a Personnel Committee which will have the responsibility for the hiring, firing, disciplinary action and grievance procedure.

2. The procedure should make it clear:

(a) What the composition of the Personnel Committee is.

(b) If it is a sub committee of the Policy Council/Committee.

(c) If it is a sub committee of the Board of Directors.

(d) Or if it is a joint committee of the Policy Council/Committee and the Board of Directors.

3. The procedure must state that decisions made by the Personnel Committees will be reviewed by the full Policy Council/Committee for approval or disapproval.

4. Some programs may take the needed action on personnel policies directly to the Policy Council/Committee without any reference to sub committees such as Personnel Committees. This is acceptable if the Policy Council/Committee are involved in the process as well as having rights to approve or disapprove final decisions.

5. ALL POLICIES MUST SPELL OUT IN DETAIL - SPECIFICALLY HOW THE POLICY COUNCIL/COMMITTEES ARE INVOLVED IN THE HIRING, FIRING, DISCIPLINARY AND GRIEVANCE PROCESSES OF THE PROGRAM.

Larry B. James

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
REGION III
3535 MARKET STREET
PHILADELPHIA, PENNSYLVANIA

November 1, 1979

OFFICE OF
HUMAN DEVELOPMENT SERVICES
MAILING ADDRESS
P.O. BOX 13716
PHILADELPHIA,
PENNSYLVANIA, 19101

Dear

In Sections 511 and 515(b) the Head Start-Follow Through Act assigns a unique role to the parents of participating children in the development, conduct and direction of the program. This role is specified in detail in the policy entitled "The Parents," a copy of which is enclosed for ease of reference.

The policy on the functions of the Policy Council and Policy Committee in the administration of the program sometimes presents special problems to the boards and administrators of public schools because the schools are governed by established administrative policies and procedures covering the same functions. This is particularly true of personnel administration.

The majority of school boards administering Head Start programs have skillfully accomodated existing policies to the requirements of Head Start. Others, however, have accepted grants without realizing fully the demands of the policy governing parent participation.

For this reason we are undertaking a special effort in the current program year to assure that school systems are in compliance with policy, to confirm compliance where it exists, to assist those out of compliance to meet the provisions of policy, and to reach an agreement with those which find themselves unable to comply to relinquish voluntarily the administration of the program to another community agency.

Charts B and C of "The Parents" specifies various actions which the Policy Council or Committee must approve or disapprove. The policy definition states clearly that approval or disapproval must occur before "the decision is finalized or action taken." Moreover, it requires that "the... group must also have been consulted in the decision-making process prior to the point of seeking approval."

The functions in personnel administration wherein Policy Council or Committee approval are required include:

1. Determination of Head Start personnel policies;

2. Hiring and firing of the Head Start Director;

3. Hiring and firing of Head Start staff.

Section 4, Part 1301.31(b), of the Code of Federal Regulations (copy enclosed) requires, "The policies shall be in writing, approved by the Head Start Policy Council or Committee, and made available to all Head Start and delegate agency employees." Where an agency has established personnel policies, as is the case in school systems, the Policy Council or Committee may adopt basic elements without change,e.g., provisions governing leave, holidays, overtime, and fringe benefits, while amending or supplementing other elements in a separate document. In every instance the supplement must include at least the following:

1. A specification of the procedures by which the Council or Committee will be consulted in the decision-making process on hiring and firing and by which it will give approval or disapproval;

2. A committment to the policy which provides that "parents are one of the categories of persons who must receive preference for employment as non-professionals;" and

3. A specification of the procedures through which the Council or Committee will be involved in grievance and appeals procedures.

As a first step in our review, we are requesting that grantees (for their own agency if the grantee itself is a school board, and for delegate agencies where all or part of the program is delegated to a school board) submit to this office by December 3, 1979, a copy of the personnel policies and procedures for the Head Start program. If a copy of personnel policies has been provided within the last six months, there is no need to send another at this time.

If the development of new or revised policies is in process, please notify us of the date for completion and submittal. If technical assistance is needed, we will be pleased to provide it upon request.

Staff of this office will review your submittal and respond with a compliance analysis by January 31, 1980. This analysis will either acknowledge the agency's compliance or specify the revisions which are required to achieve compliance with governing policies.

The Community Representative assigned to your program will then follow-up on corrective actions during the course of the regular on-site review, be it "routine" or "in-depth." If a review has recently been completed without adequate attention to this matter, the Community Representative will be in touch with the agency to define a course of action.

We are sensitive to the many demands made upon you and want to assure you that we would not be pursuing this matter were it not of very grave import for the future of Head Start in the region.

Your prompt response and cooperation in this review will be greatly appreciated.

Sincerely,

Fred Digby
Regional Program Director
ACYF

cc: School Superintendent
Policy Council Chairperson
Policy Committee Chairperson
Head Start Director

Enclosures

SAMPLE SALARY SCALE

Position	Grade	Annualized Salary Range	Level				
Van Driver Custodian	1 (1.015%)	6968 to 8086	(1) 7072	(2) 7178	(3) 7286	(4) 7395	(5) 7506
			(6) 7619	(7) 7733	(8) 7849	(9) 7967	(10) 8086
Cook Secretary Teacher Aide	2 (1.02%)	6968 to 8494	(1) 7107	(2) 7249	(3) 7394	(4) 7542	(5) 7693
			(6) 7847	(7) 8004	(8) 8164	(9) 8327	(10) 8494
Teacher Admin. Asst. Family Service Worker	3 (1.025%)	8320 to 10650	(1) 8528	(2) 8741	(3) 8959	(4) 9183	(5) 9413
			(6) 9648	(7) 9889	(8) 10137	(9) 10390	(10) 10650
Center Director	4 (1.03%)	9360 to 12579	(1) 9640	(2) 9930	(3) 10227	(4) 10534	(5) 10850
			(6) 11176	(7) 11511	(8) 11857	(9) 12212	(10) 12579
Coordinator Fiscal Officer	5 (1.035%)	9880 to 13936	(1) 10225	(2) 10583	(3) 10954	(4) 11337	(5) 11734
			(6) 12145	(7) 12570	(8) 13010	(9) 13465	(10) 13936
Education Supervisor Assistant Director	6 (1.035%)	10920 to 15403	(1) 11302	(2) 11697	(3) 12107	(4) 12530	(5) 12969
			(6) 13423	(7) 13893	(8) 14379	(9) 14882	(10) 15403
Head Start Director	7 (1.035%)	11960 to 16870	(1) 12378	(2) 12811	(3) 13260	(4) 13724	(5) 14204
			(6) 14702	(7) 15216	(8) 15749	(9) 16300	(10) 16870

FINANCIAL MANAGEMENT

Glossary of Financial Terms and Definitions.....125

Administrative SAVI Requirements

Financial Management.....130

Procurement and Property Management.....131

Budgeting - the BASICS.....133

Annotated Reference List.....139

GLOSSARY OF FINANCIAL TERMS AND DEFINITIONS

Accrual Basis Accounting System - records expenditures as they are incurred. In other words, transactions are posted to the books when the purchase order or contract is processed. (See Cash Basis Accounting System below)

Administrative Costs - are the costs associated with the overall management and direction of a Head Start program. The total amount of administrative costs cannot exceed 15% of total program funding. (See Federal Register 10/18/79 and Memo from Powell James, 6/1/81)

Allocability of Costs - means that program expenses are incurred to meet a particular grant objective and are necessary to program operation. Costs must be allocated to the proper program account and budget category or line item. (See OMB Circular A-122)

Allowability of Costs - means that grant funds may only be used for costs that are allowable for activities necessary to the grant. (See OMB Circular A-122 or OMB Circular 74-4 and OHD Grants Administration Manual, Chapter 7)

ADP - Automatic Data Processing refers to computerized systems often used for payroll.

Asset and Liability - this is accounting terminology used in an organization balance sheet. Assets are resources such as money, property or rights of collection. Liabilities are debts or obligations which are owed.

Audit - an official examination and review of a grantee's fiscal system. Federal regulations require an annual audit of Head Start Programs. (See Head Start Audit Guide)

Authorization - is the total amount of funds obligated by the Federal Government and authorized for use by the grantee.

Bonding (Fidelity Bonding) - is coverage for money handlers to protect against loss, theft or mismanagement. (See 45 CFR 1301.11)

Books of Account (Books of Original Entry) - refers to the General Ledger, General Journal, Journals of Cash Receipt and Disbursement, Payroll Journal. Fiscal staff record transactions in the Journals and post debits and credits in the Ledger(s).

Budget - a plan for the utilization of resources over a specified period of time.

Budget Forecast - relates to projections or estimates of future expenses to predict costs.

Budget Comparisons - reviewing "actual" expenses with "budgeted" amounts by cost category or line item for a given time period. Head Start programs are mandated to prepare periodic financial reports which reflect these comparisons. (See 45 CFR 74.61 - Subpart H)

Carry-over Balance (COB) - is a balance of funds left over at the end of the program year. Since these are federal funds which were not spent, grantees should consult ACYF program specialist for instructions on any COB.

Cash Basis Accounting System - records expenditures as they are paid. In other words, transactions are posted to the books when the check for payment is signed or becomes negotiable. (See Accrual Basis Accounting System above)

Cash Flow - refers to the timing and total amount of money available at any given period. Factors affecting cash flow in Head Start programs include the method, amount and frequency of receipt of federal funds (cash inflow); and timing of disbursements for payroll, bills, etc. (cash outflow).

Cost Sharing or Matching - another way of saying "Non Federal Share" or "Inkind". (See 45 CFR 74, Subpart G and Non Federal Share below)

CPA - Certified Public Accountant; a professional accountant certified by a national accounting organization.

Debit/Credit - accounting procedure used to maintain balance among assets and liabilities, revenues and expenses.

Disbursement (or Cash Disbursement) - a payment in cash or by check.

Disclosure (or Financial Disclosure) - refers to the release of reporting of financial data.

Excessive Balance - refers to reserving large amounts of "idle funds" in the grantee's checking account. Cash accounts exceeding $10,000 are usually considered to be "excessive", but factors such as cash flow needs and size of program budget are important variables. (See Idle Funds below)

Expense - accounting terminology which generally encompasses all costs of operating the program. An "expense account" is offset by a "revenue account" for purposes of maintaining account balance.

Federal Cash Transaction Report (SF 272) - is a report due quarterly to ACYF Regional Office which is used by OFO financial officers to monitor cash advanced to grantees and to obtain disbursement information from the grantee. The 272 is due 15 working days after the end of each quarter.

Financial Status Report (SF 269) - is a report due quarterly to ACYF Regional Office which specifies total program outlays and resulting unobligated balances of Federal funds for the reporting period. The Financial Status Report is due thirty days after the end of each quarter and a final report due 120 days after the end of the grant year.

Fiscal Year - also referred to as budget period. The beginning (and ending) date(s) for which a program's funds are available. U.S. Government operates under a Fiscal Year of October 1 to September 30.

General Journal - is an accounting Book of Original Entry in which any transaction may be recorded as follows:

1. date
2. account title and explanation
3. account code
4. dollar amount

(See Books of Account above)

General Ledger - is an accounting Book of Original Entry which summarizes all transactions by account type. A "trial balance" is taken at least monthly from the General Ledger and these figures are usually the basis for a program's monthly reports. (See Books of Account above and Trial Balance below)

Grant Award - an award of financial assistance by the Federal government for the operation of a Head Start program. (See NFA below)

Grant Related Income - all program (and interest earned) from activities that a grantee undertakes for which the costs are charged to a federal grant is considered grant related income. (See 45 CFR 74.40 Subpart F)

Idle Funds - Grantees are encouraged to predict cash needs so that cash is not left "idle" in checking accounts. In addition, drawdowns should be timed to minimize time elapsing before the funds are disbursed. (See Excessive Balance above)

Indirect Costs - those organizational costs that are not readily identifiable with a particular objective or activity, but are necessary to the general operation of the organization.

Inkind Contributions - that portion of Non-Federal Share which represent the value of non-cash contributions such as: charges for property and equipment or donated goods and services. Volunteer time is an example of Inkind. (See Non Federal Share below)

Internal Control - is the ability of an organization to establish and maintain a degree of reliability so that its human and non-human components will function and deliver within certain acceptable limits. In other words, a system of internal checks and balances. (See 45 CFR 74.6 Subpart H)

Journal of Cash Receipts (Disbursements) - a Book of Original Entry used to record cash receipts and disbursements by cash or check. (See Books of Account above)

Letter of Credit - is an instrument certified by an authorized official which authorizes a recipient to draw funds needed for immediate disbursement in accordance with Treasury Circular No. 1075. One of three payment methods used by the federal government to make funds available to the grantee. (See 45 CFR 74.9 Subpart K)

Line Item - a term used in budgeting and accounting that represents an account grouping. Examples of "line items" are office supplies, classroom supplies, maintenance supplies.

Monthly Reports - or Monthly Financial Reports - are monthly summaries of program expenditures reported by line item. Usually they are prepared by the grantee's fiscal department and represent the monthly balance figures from the General Ledger. (See above)

NFA - Notice of Financial Assistance - was previously called Notice of Grant Award (NGA). After the grant is "cut" by ACYF, programs are officially notified of the terms, conditions and amount of the grant through the NFA.

Non Federal Share (NFS) - a term used interchangeably with "Cost Sharing and Matching." In layman's terms, NFS represents the 20% of total program costs not borne by the federal government. It is made up of Inkind Contributions (see above) and Cash Contributions. (See 45 CFR 74.5 Subpart G)

Obligations - the total amount due for payment as a result of orders placed, services received, contracts awarded or other transactions. (See 45 CFR 74.7 Subpart I)

OFO - Office of Fiscal Operations - The department of OHDS responsible for monitoring the fiscal operations of the grantees. The individual to whom the quarterly reports are sent is usually the fiscal officer with responsibility for some aspects of grantee financial matters.

OMB Circular A-122 - Cost Principles for Nonprofit Organizations. Applies to all Head Start grants except those under colleges and universities; state, local and tribal governments; or hospitals. A copy can be obtained from the Federal Register of July 8, 1980.

Outlays - the charges made to the grant project or program. Outlays are cash disbursements and are reported on the Financial Status Report.

Program Income - Includes "General Program Income" and "Earned Program Income." In other words, the funds available from the grant award, non-federal cash contributions, proceeds from sales, fees charged, royalties, etc. are all included in the definition of program income. (See Grant-Related Income above)

Program Costs - as opposed to administrative costs. Program costs include costs of personnel, space, supplies and other non personnel costs associated directly with programmatic functions. (See Federal Register of October 18, 1979)

Prorate (Prorata) - to apportion or divide into shares. Budget allotments for certain line items are often prorated among various program accounts or funding sources.

Questioned Cost - an item charged to the grant which is questioned by the independent auditor. Being "questioned" does not necessarily mean that the cost is disallowed; Regional OFO reviews and decides the matter.

Reimbursements - goods or funds received by a grantee from funding sources other than ACYF. The most common example is the USDA reimbursement.

Revenue - accounting terminology representing all income into an organization. A "revenue account" is offset by an "expense account."

Source Documentation - documentation such as cancelled checks, paid bills, payrolls, contract and subgrant award documents, etc. Source documentation is required to support accounting records. (See 45 CFR 74.6 Subpart H)

Treasury Check - a check from the U.S. Treasury. There are two methods of payment by Treasury Check: Advance by Treasury Check and Reimbursement by Treasury Check. (See 45 CFR 74 Subpart K)

Unliquidated Obligations - depending on the method of accounting: cash basis - obligations which are incurred but not paid; accrual basis - obligations incurred but for which an outlay has not been recorded. Unliquidated obligations are reported on the Financial Status Report. (See above)

Unobligated Balance - the portions of federal funds authorized by ACYF that have not been obligated by the grantee. The unobligated balance of Federal funds appears on the Financial Status Report. (See above)

ADMINISTRATIVE SAVI REQUIREMENTS
FINANCIAL MANAGEMENT

The financial management system should insure budget management, maintain control over current operations, and provide proper disclosure of financial matters. The system must include:

A. Timely and accurate posting of all transactions; books of account including General Journal, General Ledger, Journal of Cash Receipts and Disbursements, etc.; annual audit report.

B. Books set up in a systematic way which allows for identification of the source and use of funds.

C. Internal control system which provides for accountability of funds and property.

D. Periodic financial reports which compare actual expenditures with budgeted expenditures.

E. Cash management which minimizes cash balances and time lapse between deposit of funds and disbursement (expenditure). Accounting system should insure that costs are allowable according to federal cost principles and allocable to an approved Head Start budget category.

F. All transactions are supported by proper documentation (such as Journal postings, purchase orders or invoices, cash receipts, etc.)

An annual financial audit is required. The audit...

A. Is made by a CPA or Licensed Public Accountant

B. Any findings of exceptions or questioned costs must result in timely resolution.

Minimum insurance coverage must include:

- student accident
- general liability
- automobile (collision and liability)
- fidelity bonding

ADMINISTRATIVE SAVI REQUIREMENTS
PROCUREMENT AND PROPERTY MANAGEMENT

I. Grantee must maintain a code or standards of conduct which require that:

   A. Employees, officers or agents are not allowed to accept favors or gifts from any contractor or potential contractor.

   B. Personnel policies include (above) code of conduct as well as appropriate penalty for violations.

II. Free and open competition is required for all procurement transactions.

III. Written procurement policies and procedures which provide for:

   A. A review of proposed procurements to determine need and possible alternatives.

   B. Requests for bids are clear and specifications do not unduly restrict competition.

   C. Efforts are made to use small and minority owned businesses.

   D. Appropriate purchase orders and contracts.

   E. Records are maintained for all purchases involving a substantial amount of money.

   F. Contractors comply with terms and conditions of the contract or order and assure timely follow-up of all purchases.

IV. Property management standards for nonexpendable personal property (major equipment) which include:

   A. Property records maintained on all items with a useful life of more than one year and a purchase price of $300 or more. (NOTE: PROPERTY MANAGEMENT REQUIREMENTS UPDATED IN THE FEDERAL REGISTER OF JUNE 9, 1981 REVISE NONEXPENDABLE PERSONAL PROPERTY TO INCLUDE ITEMS WITH A USEFUL LIFE OF MORE THAN TWO YEARS AND A UNIT COST OF $500 OR MORE) Property records must include:

      1. A description of the property

2. Manufacturer's serial number or other identification number

3. Acquisition date and cost

4. Source of property

5. Percentage of federal funds used to acquire the property

6. Location, use and condition of the property

7. Ultimate disposition data including sales price or fair market value

V. Physical inventory must be taken and reconciled with property records at least every two years.

VI. Adequate measures must be in effect to safeguard assets and prevent loss, damage or theft to nonexpendable personal property.

BUDGETING - THE BASICS

New Head Start Directors express more anxiety over budgeting than any other single responsibility. In most cases, this anxiety is relieved after they've lived through the experience for the first time. But there are frequent requests for a simple and reliable approach to preparing and monitoring the budget. Unfortunately there are no sure-fire cookbook type recipes to follow. Much of it is trial and error. So your best advise is to have a plentiful supply of pencils with erasers and lined or columnar work pads.

There are several elements of budgeting you'll need to know. Such as:

Composition of the Head Start Budget

Budget Preparation

Budget Monitoring and Tracking Expenses

Budget Comparisons

Budget Revisions

Let's start with a simple definition of budgeting. A budget is a plan for the utilization of (financial) resources over a specified period of time. In other words, it is the program's plan of operations expressed in financial terms. The primary purpose of budgeting is to plan the use of available resources in such a way as to assure that program objectives are met. Budgets are also used for controlling program operations by influencing expenditures. This is called budget monitoring.

THE HEAD START BUDGET

The Head Start budget is comprised of the following categories:

a) Personnel

b) Fringe Benefits

c) Travel

d) Equipment

e) Supplies

f) Contractual

g) Construction

h) Other

The following chart describes items to be included in each category:

HEAD START BUDGET CATEGORIES

Categories	Category includes:	Special Notes
6 a. Personnel	Total cost of salaries and wages for staff	Do not include Consultants
6 b. Fringe Benefits	Total cost of all staff fringe benefits	
6 c. Travel	Total cost of Out of town travel for staff	Do not include cost for Consultant's travel or local transportation
6 d. Equipment	Total cost of equipment that has a $500 or more unit cost and a life value of more than two years	
6 e. Supplies	Total cost of all consumable supplies (equipment that costs less than $500 per unit)	
6 f. Contractual	Total cost of all contracts	

HEAD START BUDGET CATEGORIES CONT'D

Categories	Category includes:	Special Notes
6 g. Construction	Total cost of renovations and repairs	
6 h. Other	Total cost for items such as: (1) Insurance for the children (2) Food (3) Medical/dental cost (4) Consultants (fees and travel) (5) Local transportation (6) Space and equipment rentals (7) Parent Activity Fund	
6 i. Total Direct Charges	Total cost of lines 6 (a)-6 (h)	
6 j. Indirect Charges	Total indirect Cost	This line should be used only when the grantee has an indirect cost rate approved by DHEW
6 k. Totals	Total cost of lines 6(i) & 6(j)	

* Taken from workshop presented by Barbara Lee & Burma Stokes, STO from E. PA.

BUDGET PREPARATION

The most desirable way to prepare the budget is to analyze what the historic costs have been for each line item or category in the past; and use this as a basis for forecasting what the costs will be over the next 18 months. For a new director, however, such advice may be easier said than done, since responsibility for past spending and knowledge of historic costs belong to your predecessor. The best way to obtain a fairly accurate picture of past spending patterns is to review the monthly reports over the past few years.

However, if time does not allow for an indepth analysis of past spending patterns, a less desirable approach is to use the current year's budget as a basis for preparing next year's budget. Review each line item carefully and include any adjustments (increases or decreases) which will affect next year's costs.

Continue to subtotal, adjust, and subtotal again until your total amount is equal to the federal dollar amount approved for your program.

BUDGET MONITORING AND TRACKING EXPENSES

As Head Start Director, you are responsible for insuring that all expenses charged to the Head Start budget are legitimate and accurate. Often the grantee provides bookkeeping services but the Head Start Director must authorize all expenditures as well as monitor the Head Start budget.

The best ways to track expenses is through a strict purchase order or requisition system. The Head Start Director signs off on all orders, invoices, contracts or other documents prior to charging them to a Head Start account. This is your "before the fact" check and balance.

Careful review and approval of each monthly report will serve as a good "after the fact" check and balance. If you don't understand the figures reported, or if a discrepancy appears, check it out immediately until you are satisfied as to the accuracy and legitimacy of the figures.

BUDGET COMPARISONS

Federal regulations require timely comparisons to be made between actual costs and budgeted amounts. This is usually accomplished through the monthly report. The sample format for monthly reports on the following page illustrates a recommended approach to making budget comparisons. The columns marked EXPENSE YTD and

BUDGET YTD are intended for actual vs budget amounts. (YTD stands for cumulative year to date.)

The budget comparisons requirement helps safeguard against overspending too early in the budget year. Proper planning and monitoring will ensure that the financial resources last and program objectives are accomplished.

BUDGET REVISIONS

When it becomes obvious that a major change in the original budget is necessary, a budget revision must be made. The federal guidelines for Programmatic Changes and Budget Revisions are found in 45 CFR 74.100, Subpart L. (See Regulations Index Chapter.) Consult the regulations to determine if the revision requires prior approval from your Program Specialist. If so, contact her/him for instructions.

Perhaps your monthly reports indicate an area in which the program has over spent or under spent and you wish to make adjustments in the budget so that spending for the balance of the year will level out. Certain budget categories require prior written approval from your HSPS before a budget revision can occur. These areas include the purchase of equipment or renovation/repairs which were not specified in the budget or narrative of your grant application. Other areas which may require prior written approval are the redistribution of funds between personnel and non-personnel categories, travel expenditures in excess of budgeted amounts and a reprogramming of funds between program accounts. Consult the federal guidelines first and if you are still in doubt, it is always good policy to consult your Program Specialist.

Remember that your budget is a plan and can only be useful to you if you treat it as a tool for controlling expenditures to meet objectives. Changes and deviations do occur, but your challenge is to anticipate needs so as to minimize deviations.

MONTHLY FINANCIAL REPORT

Program Name _____ Month _____ Year _____

Funding Source _____ Grant Award $ _____

Grant Number _____ Required Matching Funds _____

Grant Period _____ to _____

Federal Share	Current Month	Expenses YTD	Budget YTD	Percent over (under) YTD	Program Year Budget	Budget Funds Remaining
Personnel						
Fringe						
Travel						
Equipment						
Supplies						
Other						
Handicapped						
Totals						
Percentage of Budget					100%	

Non-Federal Share	Current Month	Received YTD	XX	XXXX	Required This Year	Balance Needed
Personnel						
Non-Personnel						
Totals						
Percentage of Budget					100%	

REFERENCE LIST

Fiscal Internal Control Questionnaire

by Lawrence Suda

This questionnaire was compiled to aid financial and non financial personnel in critically analyzing the level of control of their fiscal operations.

It is available from Head Start Resource and Training Center.

Guide for Audits of Head Start Programs

The guidance for auditors to use when performing a Head Start program audit. For directors, it is helpful to know what procedures will be analyzed. The Appendix of the Audit Guide is extremely useful. It contains a copy of Public Law 93-644 Title V: Head Start Follow Through Act and copies of Head Start regulations published in the Federal Register.

It is available from:

Department of Health and Human Services
Audit Agency
Washington, D.C. 20201

Property Management Guidelines for Office of Human Development Sponsored Grantees

It covers documentation that is required from an item's acquisition until its final disposal, as well as, many helpful suggestions for simplifying the control process. These guidelines have been prepared to assist grantees in the control of personal property.

It is available from:

Department of Health and Human Services
Region III
P. O. Box 13716
Philadelphia, PA 19101

The Non Profit Administrators Master Guide

An independent source of technical assistance for non-profit administrative personnel published monthly. It provides information and ideas of interest to the fiscal and administrative personnel of CAP, Head Start, CETA and ONAP programs.

It is available from:

Master Guide Information Service
Box 27203
Salt Lake City, UT 84127
(801) 263-0343

Subscription rate - $150.00/year.

The Head Start Administrative Manuals

Volume I:	Fiscal Procedures
Volume II:	Personnel Management
	Property Management

Prepared by Ralph C. Johnson & Company
Certified Public Accountants
Kansas City, MO

Sponsored by DHEW
Office of Human Development
Region VII
Kansas City, MO
Contract Number 170-76-0014

Invaluable administrative guides for Head Start programs. They contain numerous samples and procedures that may be adopted by local programs to achieve compliance with the ASAVI.

It is available for the cost of printing, mailing and handling from:

Ralph C. Johnson & Company
301 East Armour
Suite 300
Kansas City, MO 64111
(816) 756-2225

ELIGIBILITY AND ENROLLMENT

Forms, Tools and Terms..... 141

Administrative SAVI Requirements..... 142

Policy Guidance on Eligibility..... 143

Community Needs Assessment..... 144

FORMS, TOOLS AND TERMS

Intake forms

Income verification

Waiting list

Recruitment process

Enrollment application

Attendance records

Average Daily Attendance

Funded Slots

Community Needs Assessment

Multi - year enrollment

Compulsory School Age

90%/10%

OMB (ACYF) Poverty Guidelines

ADMINISTRATIVE SAVI REQUIREMENTS
PARTICIPANT ELIGIBILITY

A system for determining eligibility of each child and maintaining 90% of total enrollment from low-income families. The system should provide for:

A. Screening and recruitment of handicap children with the goal of 10% of enrollment diagnosed as handicapped

B. Age eligibility between 3 years old and compulsory school age

C. Preference given to children from the poorest families determined by the latest issue of OMB poverty guidelines

D. Recruiting eligible children; accepting applications throughout the program year; maintaining a waiting list of eligible children; and filling vacancies as they occur

E. If multi-year enrollments are allowed by the grantee, maintaining records on children automatically eligible for a second program year

F. Documentation of family income for the current or immediately past year for all new enrollees.

A system for enrollment and attendance which:

A. Ensures full enrollment within the first month of the school year

B. Maintains an enrollment level equal to the number of funded slots

C. Documents absences and signals a drop in the average daily attendance below 85%; and analyses the causes of absenteeism.

POLICY GUIDANCE ON ELIGIBILITY

There have been many Head Start policy issuances which speak to requirements in the area of eligibility and enrollment. Grantees must continually update their eligibility guidelines as new poverty lines are established. Generally speaking, the national or regional ACYF office will supply current income guidelines as they become revised (usually on an annual basis in the spring.) The Office of Management and Budget (OMB) determines poverty guidelines from information on the Consumer Price Index and statistics from the Bureau of Census. Many grantees have noted an increase in the number of eligible families with each update of the poverty guidelines.

To interpret the intent of the poverty guideline, you need to define what comprises "income" and who is included in the definition of "family." Both terms are defined in 45 CFR, Part 1305.2. Definitions as follows:

> "The term 'family' means all persons living in the same household who are: (i) Supported by the income of the parent(s) or guardian(s) of the child enrolling or participating in a Head Start program, and (ii) related to the parent(s) or guardian(s) by blood, marriage or adoption."
>
> "The term 'income' means gross cash income and includes earned income, military income (including pay and allowances), veterans benefits, social security benefits, unemployment compensation and public assistance benefits. With respect to a child in foster care, family income is the amount paid to the foster family on behalf of the child by a public or private agency."

The Federal Register of April 7, 1978 (Part VIII) is a good source for regulations on eligibility and limitations for enrollment. Other sources of information can be found in the Performance Standards, Social Services section. Also, check Head Start Transmittal NOtices TN 79.1. In addition, there are three Head Start Policy Interpretation Memos on Eligibility, Enrollment and Attendance dated April 24, 1978 (#1); December 8, 1978 (#2) and March 17, 1980 (#15).

For information on Recruitment and Enrollment of Handicapped Children, there are three Head Start Transmittal Notices: TN 73.4 (N30-333-1) of February 28, 1973; TN 75.11 (A-30-333-4) of November 11, 1978; and TN 75.2 (A-30-347-2) of December 31, 1974. If you would like general guidance on Handicap Recruitment, you may request a copy of A Guide for the Handicap Component Coordinator available from HSRTC.

COMMUNITY NEEDS ASSESSMENT

Many of the decisions which Head Start administrators will make regarding local eligibility and enrollment policy depend upon information contained in the Community Needs Assessment (CNA). A properly prepared CNA provides the basis for determining program objectives which meet identified needs in the community. Decision-makers should find current answers to questions such as: How many eligible children are in the service area? What is the mean (average) income of families below the poverty line? Which of the many eligible families most need Head Start services?

It is beyond the scope of this manual to present an in-depth overview of preparing the Community Needs Assessment. Much literature is available on the topic, including HSRTC's resource, Program Planning and Beyond. However, in response to requests from new Region III Head Start Directors, an outline and sample questionnaire for designing a community needs assessment is presented below.

Information a Community Needs Assessment should provide:

1. Number of eligible children within the service area.

2. Family income statistics.

3. Family profile information:
   - number of siblings
   - special health problems
   - head of household
   - others in home, etc.
   - transportation

4. Existing child development programs:
   - service group
   - degree of effectiveness
   - services provided

5. Other community resources:
   - health care programs
   - schools and churches
   - community development grants
     (consult the appropriate state agency)
   - community-based agencies
   - degree of service effectiveness
   - degree of community participation

6. Population projections for the service area:
   - transient populations
   - changing neighborhoods
   - housing developments
   - ethnic composition

7. Economic trends
   - new industries in area
   - closing industries in area
   - job opportunities

* This material was taken from the LINC-LDP Administration Seminar.

HEAD START NEEDS ASSESSMENT QUESTIONNAIRE

1. _____ 2-5 year old child in family

   If there are no eligible children in the family, there is no need to complete the rest of the questionnaire.

2. Is your family
   a) Black _____
   b) Non-Latin White _____
   c) Cuban _____
   d) Puerto Rican _____
   e) Mexican American _____
   f) American Indian _____
   g) Oriental _____
   h) Other _____

3. What means of transportation does the family use on a regular basis? (May select more than one)

   a) Own automobile _____
   b) Public Transportation _____
   c) A friend or relatives automobile _____
   d) Bicycle _____
   e) Does not know _____
   f) No answer _____
   g) None _____
   h) Other (specify) _____

4. What is the number of preschoolers (under 5 years of age) now living in the household? _____ Age of the person _____; _____; _____.

5. Is there any person or persons now living in the household who is physically handicapped (such as blind, deaf, in a wheelchair, has a leg or arm missing, can't talk, mentally retarded)?
   a) Yes _____ b) No _____ Number _____
   If the answer to question 5 is "no", skip question 6.

6. If "yes", what are their ages?
   Ages of those physically handicapped: _____ _____ _____

7. Do you have a friend, relative or neighbor who takes care of your 2 or 3 year olds?
   a) Yes _____
   b) No _____
   If the answer to question 7 is "no", skip question 8.

8. How often do you rely on or use this person?

   a) all the time _____
   b) most of the time _____
   c) very rarely _____
   d) only in emergencies _____
   e) do not know _____
   f) no answer _____

9. At what time do the adults who work:

	(time)		(time)
leave for work	_____	return from work	_____
	_____		_____
	_____		_____
	_____		_____

10. By what means of transportation would you get your child to a day care program, and pick him up if he were to be enrolled in such a program?

a) private car _____
b) public transportation _____
c) walk _____
d) bicycle _____
e) other (specify) _____
f) none _____
g) don't know _____
h) no answer _____

11. Now and during regular working hours, who usually takes care of the pre-schoolers (less than 5 years of age) in your household, when the parents cannot be with them?

a) Other adults in your household _____
b) Older children in your household _____ Ages _____
c) Relative/neighbor/friend outside of household (for free) _____
d) Relative/neighbor/nursery (for money) _____
e) Day Care Center _____
f) Head Start Center _____
g) Other (specify) _____
h) No answer _____

12. I need a program for my child that is:

a) Half day, five days a week _____
b) All day, two days a week _____
c) All day, three days a week _____
d) All day, five days a week _____
e) Other (specify) _____

13. If the answer to question 12 was a, or e, skip this question. If the answer to question 12 was b, c, or d, then ask:

What hours are needed for an all day program?
_____ to _____ (fill in times in the blanks)

14. What is the total number in your family? _____

15. What is the family income: _____ weekly; _____ bi-weekly; _____ yearly

16. Do you know of others who need Head Start Services? _____

If yes, how can they be contacted? _____
_____
_____
_____